ENHANCED – USE LEASE

of Certain Real Property and Facilities at the VA Greater Los Angeles Healthcare System West Los Angeles Campus – Building 207 Los Angeles, California

DATED: October 29, 2020

Enhanced-Use Lease

of Certain Real Property and Facilities at the VA Greater Los Angeles Healthcare System West Los Angeles Campus, Los Angeles, California

PREAMBLE

This **Enhanced-Use Lease** (herein referred to as the "Lease"), is made and entered into on October 29, 2020, by and between the Secretary of the Veterans Affairs, an officer of the United States on behalf of the Department of Veterans Affairs (hereinafter "Department" or "VA"), and VA Building 207 LP, a California limited partnership (hereinafter "Lessee") (referred to collectively as the "Parties"), for the portion of land legally described in Exhibit "A" and depicted in Exhibit "B", which is more particularly defined as the "Property."

RECITALS

- **A. WHEREAS,** the Department has jurisdiction and control of certain real property and facilities known as the VA Greater Los Angeles Healthcare System, West Los Angeles Campus, Los Angeles, California hereinafter "VAMC") that provides health care services to the nation's Veterans. The VAMC property subject to this Lease is located at 11301 Wilshire Boulevard in the County of Los Angeles, California and consists of Building 207 on approximately 1.45 acres of land, as further described and depicted in Exhibits "A" and "B," respectively; and
- **B.** WHEREAS, 38 U.S.C. Section 8161, et seq. "Enhanced-Use Leases of Real Property," as amended by the West Los Angeles Leasing Act of 2016, permits the Department to enter into long-term leases of certain property under its jurisdiction and control; and
- **C. WHEREAS,** in accordance with the terms and conditions herein, VA desires to lease the Property to Lessee and Lessee desires to lease the same from VA, so Lessee can finance, design, develop, construct, operate, and maintain affordable housing consisting of not less than sixty (60) units and associated vehicular parking spaces (collectively, the "Facility"), all for the purpose of providing supportive housing to eligible Veterans and their families.
- **D. WHEREAS,** a long-term use of the Property as the Facility through an Enhanced-Use Lease, as authorized by the provisions of 38 U.S.C. Section 8161, et seq., and as amended by the West Los Angeles Leasing Act of 2016, by Lessee, would result in the availability of affordable supportive housing and would permit more VA resources to be directed toward direct Veteran care; and
- **E. WHEREAS,** the Department and Lessee agree that during the Term, the Facility shall be considered a non-VA, privately-owned and operated residential facility subject to applicable Federal, State, and local laws, codes, ordinances, regulations, and permitting requirements, and at the Facility, eligible Veterans shall receive priority placement into the Facility, and Veteran eligibility and such priority placement shall be contained in the "Tenant Selection Plan" (attached as Exhibit "F").

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING AND OTHER GOOD AND VALUABLE CONSIDERATION, RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED AND ACCEPTED, IT IS HEREBY AGREED THAT subject to the terms and conditions herein, the Department grants to Lessee and Lessee accepts a seventy-five (75) year term of this Lease on the terms set forth herein.

ARTICLE 1 – EXHIBITS AND DEFINITIONS

Exhibits: The following constitute the Exhibits to this Lease. Each of the Exhibits is attached to this Lease and is incorporated by this reference:

- A. Exhibit "A": Legal Description of Property
- B. Exhibit "B": Site Plan
- C. Exhibit "C": Design Plan
- D. Exhibit "D": Development Plan
- E. Exhibit "E": Operations and Maintenance Plan
- F. Exhibit "F": Tenant Selection Plan
- G. Exhibit "G": Memorandum of Lease
- H. Exhibit "H": California Tax Credit Allocation Committee Lease Rider
- I. Exhibit "I": Commitment Agreement

Definitions: The following constitute the definitions to this Lease:

"Certificate of Substantial Completion": means the certificate defined in Article 6.B.14 of this Lease.

"Congress": means the Congress of the United States of America.

"Commencement of Construction": means that date that Lessee, its construction contractor, any subcontractor, or builder associated with the Project commences any reasonable act (i.e., groundbreaking, erection, etc.) on the Property aimed at, or which effectively establishes, builds, erects, constructs, raises, develops, or furthers any portion of the Project's development, including any portion of the Project's subsurface region(s).

"Department": means the United States Department of Veterans Affairs.

"Designated VA Representative" or "DVR": means the individual of the Department who: (a) is designated by the Secretary to act on matters of Lease administration but (b) is not designated to execute amendments or modifications to the Lease or its exhibits unless the individual has or acquires such authority through a written "Delegation of Authority" from the Secretary.

"Effective Date": means the date this Lease is executed by the Parties; provided that, if the Parties execute this Lease on different days, the Effective Date shall mean the later day that this Lease is executed.

"Facility": means (a) the Facility described in the Recitals section above, which Lessee will finance, design, develop, construct, renovate, operate, and maintain in accordance with this Lease; and (b) all associated structures, improvements, utilities, fixtures, infrastructure, and any other Improvements located on the Property.

"Force Majeure": means any of the following that directly cause any of Lessee's obligations hereunder not to be performed in a timely manner: (a) an earthquake, hurricane, tornado, flood, or other similar act of God; (b) fire; (c) strikes or similar labor disputes provided such strike or similar dispute is beyond Lessee's control, provided that such strike or similar dispute is not solely restricted to the employees of the Lessee or of its subcontractors, and provided Lessee takes all steps reasonably possible to remediate such strike or similar dispute; (d) acts of the public enemy; (e) inability to obtain labor or materials or clear access to the Project by reason of acts or omissions of any governmental body not caused by Lessee's actions or omissions; (f) rebellions, riots, insurrections or civil unrest; (g) unusually severe weather conditions that actually cause similar construction or development activities in the area of the Project to be suspended; (h) discovery, remediation, and abatement of any unknown environmental hazard or unknown hazardous substance (i.e., a hazardous substance, covered by any environmental law or regulation, whose existence on the Property is unknown to Lessee by the Effective Date) which is affecting the Property; (i) discovery of any ancient, historical, archeological, architectural, or cultural artifacts, relics, or remains on the Property; (j) any act or omission of a governmental body other than VA not caused by Lessor's or Lessee's actions or omissions; and (i) epidemics, pandemics, wide-spread disease, or specific events or developments related to the novel coronavirus causing COVID 19 which was declared a global pandemic prior to the Effective Date that are beyond the reasonable control of a party, unforeseen or unavoidable.

"Hazardous Substances": means those substances as defined in Article 34 of this Lease.

"Improvements": means any existing physical structures or additions in, on, or under the Property, and any development, construction, operation, and maintenance activities made on or to the Property or Facility by Lessee, which the Lessee will accomplish in accordance with this Lease, particularly Article 10.

"Initial Financing": means those capital financing sources as identified in the Development Plan (Exhibit "D") to be obtained and closed within forty-five calendar days from the Effective Date of the Lease pursuant to Article 22.A.9 of this Lease.

"Lease": means this Enhanced-Use Lease ("EUL") between the Department and Lessee.

"Leasehold Mortgage": means each mortgage as defined in Article 20.B.2 of this Lease.

"Leasehold Mortgagee": means each leasehold mortgagee as defined in Article 20.B.2 of this Lease.

"Lease-Up Date:" means the date on which the Facility is occupied by its first tenant/occupant.

"Lessee": means VA Building 207 LP, a California limited partnership (hereinafter "Lessee").

"Project": means the financing, design, development, construction, operation and maintenance of the Facility in accordance with this Lease.

"Property": means the estate as described in Article 4.

"Qualified Party": means any Person whereby (a) neither such Person nor any of its partners, members, or principal stockholders is debarred or suspended from doing business with the Department or any other Federal government agency, (b) neither such Person nor any of its partners, members, or principal stockholders is listed on any non-procurement or reciprocal lists on the most current "System for Award Management" published by the United States General Services Administration at www.sam.gov, as updated from time to time, or any replacement thereof, (c) neither such Person nor any of its partners, members, or principal stockholders is a person who poses a security or safety risk as determined by the Secretary of State, including but not limited to any person who either represents a country, or is a member of or provides political, financial or military support to a group, that is listed in the most current "Patterns of Global Terrorism" report, issued by the Secretary of State in compliance with 22 U.S.C. § 2656f(a), available from the Superintendent of Documents, U.S. Government Printing Office, Washington D.C. 20402 and also available at http://www.state.gov/global/terrorism/annual reports.html, and (d) neither such Person nor any of its partners, members or principal stockholders is subject to a criminal indictment or information for a felony in any court in the United States. For purposes of this Lease, the term "principal stockholder" shall mean any person who is a beneficial owner (as defined for purposes of Rule 13d-3 of the Securities and Exchange Act of 1934, as amended and promulgated by the Securities and Exchange Commission) of ten percent (10%) or more of the outstanding stock or other equity of the Lessee.

"Secretary": means the Secretary of Veterans Affairs or the individual delegated to act for and on behalf of the Secretary.

"Sublease": means an executed sublease agreement between the Lessee and Sublessee or between Sublessees for one or more portions of the Property.

"Sublessee": means an entity other than a natural person that has a right to use and occupy certain space within the Property pursuant to an executed Sublease, for the purpose of financing, designing, developing, constructing, operating, and maintaining the Facility.

"Subtenants": means a person or entity that is a subtenant or other holder of a right to use and occupy certain space within the Property pursuant to an executed sublease or other agreement with the Lessee or Sublessee.

"Successor": means any such entity as defined in Article 20.B.3 of this Lease.

"Tax Credit Investor": means Wells Fargo Affordable Housing Community Development Corporation, a North Carolina corporation and its affiliates, successors and assigns.

"Term": means the term of the Lease described in Article 3.A of this Lease.

"VA Facility Manager": means the VA employee that the DVR identifies to the Lessee as being available to receive a copy of the "as-built drawings" as set forth in Article 10.F of this Lease.

"VAMC": means the United States Department of Veterans Affairs Medical Center, Greater Los Angeles Healthcare System, West Los Angeles Campus, California.

"Veteran(s)": means a Veteran(s) within the meaning of 38 U.S.C. Section 101(2) (e.g., a person(s) who served in the active military, naval or air service, and who was discharged or released therefrom under conditions other than dishonorable).

ARTICLE 2 – CONSIDERATION FOR LEASE, LESSEE REQUIREMENTS, PAYMENT OF ANCILLARY SERVICES, UTILITY INFRASTRUCTURE, AND COMMITMENT AGREEMENT

A. Consideration:

- 1. It is the understanding of the Parties that Lessee is undertaking this Lease to achieve public interest objectives that are mutually beneficial, namely to, through a community-based effort, improve the availability of affordable, safe, quality, smoke free, drug free (other than any exceptions noted in Exhibit "E", the "Operations and Maintenance Plan") affordable housing for Veterans and their families.
- 2. Pursuant to 38 U.S.C. Section 8162(b)(3)(C), VA is entering this Lease without receiving consideration.

B. Lessee Requirements:

- 1. Lessee will finance, design, develop, construct, renovate, operate, and maintain the Property into the Project in accordance with all applicable State and local laws, codes, ordinances, and permitting requirements, and any amendments thereto; the National Fire Protection Association ("NFPA") 101 Life Safety Code; the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101, et seq.); the National Historic Preservation Act of 1966 (16 U.S.C. § 470, et seq.); the Archaeological Resources Protection Act (16 U.S.C. § 470 et. seq.), all as such laws may be amended from time to time; and as otherwise set forth in this Lease, all in a manner so as at all times not to unreasonably interfere with or disrupt the VAMC's activities and operations.
- 2. Lessee has, in consultation with VA, established specific procedures, regulations, rules,

and/or standards to ensure that in accordance with The West Los Angeles Leasing Act of 2016, operation of the Facility principally benefits Veterans and their families, as that term is defined in therein; and that operation of the Facility is consistent with the "Operation and Maintenance Plan" (attached as Exhibit "E") and the "Tenant Selection Plan" (attached as Exhibit "F").

C. <u>Utility Infrastructure, Metering, VA Approval of Distribution Systems, Professional</u> Engineer's Report:

The Department and Lessee hereby agree as follows:

- 1. Lessee shall be solely responsible for any and all costs (i.e., direct costs, insurance, taxes, assessments, etc.) associated with establishing/constructing the infrastructures, distribution lines and systems, connections (including any Lessee reconnections to local utility provider services due to events relating to or stemming from Articles 2.C.5 and/or 2.C.6 below), meters, taps, etc., required for providing gas, electricity, water, sewer, oil, fiber optics, telephone, fire alarm service or any other form of utility, communications, power, or fuel to the Property.
- 2. Lessee shall be solely responsible for installing meters within thirty (30) calendar days of the Lease-Up Date, and paying the Department (within thirty (30) calendar days of receipt of any bill from the Department detailing) the "at-cost" amounts (including any fees or charges to or assessments against VA that are attributable to VA's provision of utilities to Lessee) for any and all electricity, water, gas, oil, fiber optics, telephone, or any other form of utility, communications, power, or fuel required during construction and/or operation of the Project. Nothing in this Section C requires Lessee to acquire utility services from the Department.
- 3. Commencing on the Effective Date of the Lease, and notwithstanding Article 2.C.6 below, Lessee shall be solely responsible for ensuring at its sole cost and expense and subject to Article 2.C.2 above, that the utilities necessary for the operation and maintenance of the Property are available and operable in accordance with Federal, State, and local codes from VA or a third-party utility provider.
- 4. In conjunction with Article 2.C.1. and 2.C.2 above, the Department shall have the right to review and approve any and all connections to VA's distribution systems prior to: (a) final design of such connections and (b) final installation of such connections, and the Department shall issue both such approvals to Lessee in writing. In addition, prior to the Department's approval of any and all connections to VA's distributions systems per this Paragraph 4, Lessee shall provide the Department with a "Professional Engineer's Survey Report" that evaluates the impact of the installation of such utilities on VA's distribution systems; confirms that no adverse impact will result upon VA's distribution systems; and provides for a corrective plan of action to mitigate any potential, foreseeable adverse impacts.
- 5. If Lessee performs or causes the performance of any utility connection work ("Utility Work") on VA property through an easement, permit, or otherwise, then Lessee hereby agrees that: (a) it shall be solely and fully responsible and liable to VA for any and all costs associated with repairing and/or restoring any VA real or personal property damaged or destroyed by, as a result of, or in connection with such Utility Work, and (b) notwithstanding anything in Article 13 to the contrary, Lessee shall indemnify and hold VA harmless for any and all liabilities, fees, costs,

and expenses regarding any injuries, deaths, and/or damage to any person's personal property resulting from or in connection with such Utility Work by Lessee, its contractors, builders, sublessees, agents, employees, licensees, affiliates, and/or invitees.

- 6. Subject to and in accordance with this Article 2.C.6 and Article 10.A, during the Term and so long as the Department has jurisdiction and control of the VAMC, the Department will, upon Lessee's request and subject to applicable Federal, State, and local law, use its best efforts to provide the Property with uninterrupted flow of utilities, but Lessee hereby acknowledges and agrees that VA will not be liable for any damages due to or caused by any interruption, cessation, inadequacy, or defect in the character, quantity, quality, or supply of utilities services to Lessee, except for damages or injuries resulting or arising from the acts of Department personnel properly cognizable under the Federal Tort Claims Act (28 U.S.C. §§ 2671-2680). Lessee further agrees that no such interruption or cessation of utility services shall constitute an event of default by VA under this Lease.
- 7. Subject to and in accordance with Article 2.C.6 above, in the event a State (or any of its agencies, departments, or commissions) or local public utility challenges, protests, or undertakes legal action against any of Lessee's utility connections and/or servicing from VA utility lines, Lessee shall have the right (subject to the Department's prior written approval, which shall not be unreasonably withheld), to legally contest or defend against such adverse actions. If Lessee elects to do so, however, it shall be solely responsible for all of its fees, costs, and expenses stemming therefrom.
- 8. During the Term, for any direct connections that Lessee makes to VA utility distribution systems, VA may if it deems necessary, contact Lessee and establish a time and place whereby VA can conduct or obtain at its sole cost and expense, an independent "utility consumption assessment" upon any sub-metering installed on the Property, to confirm or ensure proper functionality. Lessee agrees at its sole cost and expense to undertake corrective action as needed regarding any such sub-metering found to be malfunctioning.
- **D.** Payment to VA for Ancillary Services: Each month during the Term, Lessee shall be responsible for, and shall pay to the Department, the "at-cost" amount(s) for (i.e., the actual cost to the Department for providing) any "ancillary service(s)," (e.g., grounds maintenance, trash pickup, laundry services, housekeeping services, lawn moving, snow removal, security) that Lessee requests in writing and receives from the Department during and throughout the preceding month ("Ancillary Services"). Lessee's payments to the Department for such Ancillary Services shall be paid no later than thirty (30) calendar days after receipt of any bill from the Department for providing such services.
- **E.** <u>Commitment Agreement</u>: VA and Lessee will execute a Commitment Agreement (attached hereto as Exhibit "I"), which contains the terms and conditions whereby VA will, per 38 U.S.C Section 8162(b)(4), provide EUL Capital Contribution payments to the Lessee up to the amount of \$10,500,000, to allow Lessee to perform and complete certain work described therein, relating to the Project. A default by Lessee under the Commitment Agreement shall not constitute an Event of Default under this Lease. But in no event shall a default under the Commitment Agreement excuse Lessee's performance of its obligations under this Lease.

ARTICLE 3 – LEASE TERM

Unless earlier terminated by the Department as provided for in Article 23, the term of this Lease shall be for seventy-five (75) years commencing on the Effective Date (the "Term").

ARTICLE 4 - PROPERTY TO BE LEASED TO LESSEE

The Property subject to this Lease shall constitute (i) the leasehold interest in the Real Property legally described in Exhibit "A", and (ii) during the Lease term, title to all structures, improvements, utilities, fixtures, infrastructure, and any other Improvements located on the Real Property depicted in Exhibit "B". Notwithstanding anything to the contrary contained in this Lease, at all times during the Term, title to all Improvements located in, on or under the Real Property shall be vested in and held by Lessee. Lessee alone shall be entitled to all of the tax attributes of ownership of the Improvements, including, without limitation, the right to claim depreciation or cost recovery deductions thereof and the right to claim the low income housing tax credits described in Section 42 of the Internal Revenue Code, as amended. Lessee shall also have the right to amortize capital costs and to claim any other federal or state tax benefits attributable to the Improvements during the Term. Notwithstanding the preceding sentences, the underlying fee title of the land shall remain with the Department.

ARTICLE 5 - SUBJECT TO EXISTING AND FUTURE EASEMENTS AND RIGHT OF WAY

- A. This Lease is subject to all existing easements and rights of way, whether or not recorded, for location of any type of facility over, across, in, or upon the Property or any portion thereof; and the right of the Department, upon consultation with Lessee, to grant such additional easements or rights of way over, across, in, or upon the Property; and such approval shall not be unreasonably or arbitrarily withheld or delayed, provided that any such additional easements or rights of way shall not be inconsistent with Lessee's quiet use and enjoyment of the Property under this Lease, and shall be conditioned on the assumption by the grantee thereof of liability to the Department and to Lessee for such damages as the Department and/or Lessee shall suffer for property damaged or destroyed or property rendered uninsurable as a result of grantee's exercise of its rights thereunder. VA represents and Lessee acknowledges that VA has disclosed to Lessee all easements located on the Property of which VA is aware.
- B. There is hereby reserved to the holders of such easements and rights of way as presently in existence, whether or not recorded, outstanding or which may hereafter be granted, to any Federal, State, or local officials engaged in the inspection, construction, installation, maintenance, operation, repair, or replacement of facilities located on the Property, such reasonable rights of ingress and egress over the Property as shall be necessary for the performance of their official duties with regard to such facilities.
- C. The Department shall have the right to relocate any existing easements (at its sole cost and expense) and grant additional easements and rights of way over, across, in and upon the Property,

provided that: (1) any additional easement or right of way shall not be inconsistent with or adversely affect Lessee's actual or intended use of the Property, and the right to non-exclusive use of the Access Roads pursuant to Article 5.E below; (2) the grantee of any such easement or right-of-way agrees in writing to indemnify, hold harmless and defend the Department and Lessee from and against any and all claims, actions, losses, damages or costs and expenses as the Department or Lessee shall suffer or incur for injury to persons, or property destroyed as a result of grantee's exercise of its rights thereunder; (3) the granting of such easement or right-of-way shall not affect the insurability of the Property (i.e., either for title insurance purposes or for purposes of liability and casualty insurance); and (4) Lessee consents in writing to VA's granting of the easement or right-of-way, such consent not to be unreasonably withheld, conditioned, or delayed.

- D. Future Easements and Rights of Way. Upon Lessee's written request, the Department agrees to consent to and join in the execution of all applications, petitions, and non-exclusive easements and rights-of-way as may be necessary to complete or operate the Project (to the extent such execution by the Department as fee owner of the Property is required); provided that: (1) the underlying application, petition or easement is not inconsistent with the Project and would not materially or adversely affect VA's mission or operations; (2) the grantee of any such application, petition, easement or right-of-way provides VA with prior written assurances to indemnify, hold harmless and defend the Department and Lessee from and against any and all claims, actions, demands, losses, damages, liabilities, judgments, costs, and attorneys' fees, which the Department or Lessee may suffer or incur for injury to persons, or VA property destroyed as a result of grantee's exercise of its rights thereunder, unless grantee is statutorily or otherwise prohibited from providing such indemnification; and (3) VA provides its prior written consent to Lessee after reviewing the written assurances referenced in Paragraph (2) above and the final version of each underlying application, petition, easement or right-of-way, which shall not be unreasonably withheld, conditioned, or delayed.
- E. VA and Lessee agree that during the Term, Lessee, and any of its respective contractors, subcontractors, builders, sublessees, agents, employees, licensees, and invitees shall have a nonexclusive access right of way on, over, across and through such paved roads, including, but not limited to "INSERT" and "INSERT" located within the VAMC ("Access Roads"), or as may be now or hereafter located on the VAMC for the purpose of providing Lessee, its successors and assigns, and its permittees with (i) vehicular and pedestrian ingress to, egress from, and access between the property and adjacent streets, roadways and rights-of-way within the VAMC to a point of public access or a public street, and (ii) for passage, construction, installation, maintenance, repair, replacement, and use of utility lines, pipes, wires, conduits, flues, ducts, lines, and other equipment, including without limitation, electricity, gas, water, communications, sewer and storm drainage from the surrounding public thoroughfares to the Property and to a point of public access or a public street, provided, the location of any such utility shall be subject to the approval of the Department, which approval shall not be unreasonably withheld, conditioned, or delayed, as granted by the Department to Lessee, and its successors and assigns, for so long as this Lease is in force and effect. The foregoing right of way granted for access shall be included and made a part of Exhibit "A" Legal Description for the leasehold interest in the Real Property granted to Lessee hereunder. However, applicable Federal law shall govern all such uses, and Lessee shall be subject to VA security requirements and other operating procedures and restrictions, including without limitation, designated access road and parking space restrictions, as may change throughout the Term of the Lease. Notwithstanding the foregoing, the exercise of any of foregoing rights by VA

shall not result in any actions which would materially and adversely affect Lessee's rights to use the Access Roads and/or termination of Lessee's access to the Property during the Term.

ARTICLE 6 - REPRESENTATIONS AND COMMITMENTS

- A. Lessee and the Department hereby represent, warrant, and covenant that:
- 1. Each party has complied with all applicable laws and requirements in connection with the execution, delivery, and performance of this Lease.
- 2. Each party is duly authorized to execute and deliver this Lease.
- 3. This Lease constitutes a legal, valid, and binding obligation of each party, enforceable in accordance with its terms, subject to equitable principles that could affect specific performance.
- 4. Upon expiration or termination of this Lease, title to the buildings, structures, and other Improvements constructed or placed on the Property and the fixtures annexed thereto shall immediately vest in and become the property of the Department, as part of the Property, without any additional compensation therefor and without any instrument of conveyance. Lessee covenants and agrees, upon demand by the Department, on or after termination of the Lease, to execute any instruments requested by the Department to effectuate the conveyance of such buildings, structures, Improvements, utilities, fixtures, and infrastructure constructed or placed on the Property and the fixtures annexed thereto.
- 5. Each party undertakes to act with reasonable promptness, so that the other party can complete its Lease obligations within agreed timelines.
- B. Lessee represents, warrants and covenants to the Department that:
- 1. Lessee is (a) a limited partnership duly organized, validly existing and in full force and effect under the laws of the State of California; (b) will validly and legally remain as such throughout the Term; (c) has and will continue to have throughout the Term, full power as a limited partnership to enter into and perform its obligations under this Lease, and (d) has, or will have prior to the time the same are required by law, and will thereafter maintain throughout the remaining Term, all licenses or other governmental approvals necessary to perform its obligations hereunder.
- 2. The Lessee's signing, delivery, and performance of this Lease and its consummation of the transactions contemplated hereby, have been duly and validly authorized by all necessary action on the part of the Lessee. To the Lessee's knowledge, neither its signing and delivery of this Lease, nor its consummation of the transactions herein contemplated, nor its compliance with the provisions hereof, will conflict with or result in a breach of, or constitute a default under, (a) any of the provisions of any law, governmental rule, regulation, judgment, decree or order binding on the Lessee or its properties, (b) the constituent documents of the Lessee, or (c) any of the provisions of any indenture, mortgage, contract or other instrument to which the Lessee is a party or by which it or any of its properties is bound, or result in the creation or imposition of any lien, charge or

encumbrance upon any of its properties pursuant to the terms of any such indenture, mortgage, contract or other instrument.

- 3. All actions, approvals, consents, waivers, exemptions, variances, franchises, orders, permits, authorizations, rights, and licenses required under applicable law that are necessary in connection with the Lessee's signing and delivery of this Lease or the Lessee's consummation of the transactions contemplated hereby or the Lessee's performance of its obligations hereunder, have been duly taken, given or obtained, or, with respect to future renovation activities, will be obtained, as the case may be, are in full force and effect, are not subject to any pending proceedings or appeals (administrative, judicial or otherwise), and either the time within which any appeal therefrom may be taken or review thereof may be obtained or appeal therefrom taken.
- 4. This Lease has been duly signed and delivered by the Lessee and, assuming due authorization, signing and delivery by the Department, constitutes a valid and binding obligation of the Lessee enforceable against the Lessee in accordance with its terms (except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the enforcement of the rights of creditors generally and the application of equitable principles in any proceeding, whether at law or in equity).
- 5. There is no action, suit, proceeding or investigation pending or, to the Lessee's knowledge, threatened against the Lessee before any court, administrative agency, arbitrator or governmental body that: (a) relates to any of the transactions contemplated by this Lease, or (b) either in any one instance or in the aggregate, if determined against the Lessee, would reasonably be likely (i) to conflict with the terms of this Lease or of any action taken or to be taken in connection with the obligations of the Lessee contemplated herein, (ii) to materially and adversely affect the Lessee's business, assets, operations or condition (financial or otherwise), taken as a whole, or (iii) to materially and adversely affect the ability of the Lessee to perform its obligations under this Lease.
- 6. The Lessee is not in default with respect to any order or decree of any court or any order, rule, regulation or demand of any Federal, State, municipal, or governmental agency, which default would reasonably be likely to materially and adversely affect the Lessee's ability to perform its obligations under this Lease or the transactions contemplated hereby.
- 7. All negotiations relative to this Lease and the transactions contemplated hereby have been carried on by the Lessee directly with the Department, and without the intervention of any Person who may or will have a valid claim against the Department for a finder's fee, brokerage commission or other like payment with respect to this Lease or such transactions.
- 8. The Lessee is, and at all times during the Term will be, a Qualified Party. If at any time the Lessee fails or is reasonably likely or expected to fail to continue to be a Qualified Party, the Lessee will immediately so advise the Department in writing. The Lessee will also immediately notify the Department if and when it becomes aware that a Sublessee or Space Tenant is no longer a Qualified Party.
- 9. Lessee has inspected the Property, is fully familiar with the physical condition of the Property, including the underlying environmental conditions (including those set forth in the

Environmental Reports), and based on the foregoing, accepts such Property "as is" and with all faults, including those identified on the Environmental Reports, subject to all applicable law, and assumes all risks associated with pursuing the Project in accordance with this Lease and all applicable law.

- 10. As of the Effective Date, Lessee shall in accordance with and subject to Articles 16 and 34 of this Lease, be responsible for all costs associated with or pertaining to the removal or remediation of any and all Hazardous Substances located within the Improvements as of the Effective Date including but not limited to, asbestos, mold, lead paint, and renovation, demolition, and construction debris. All such removal activities shall be performed in accordance with applicable Federal, State and local laws, codes, and ordinances; provided, however, Lessee shall have no liability for any Hazardous Substances which are located on the Property outside the Improvements unless such Hazardous Substances are first brought to the Property after the Effective Date by Lessee, its agents, employees, subcontractors, or sublessees.
- 11. The Department has made no representations or warranties concerning the condition of the Property, the fitness or suitability for any particular use and the Department shall not be liable to Lessee for any latent or patent defects in such Property, nor has it agreed with Lessee to alter, improve or maintain such Property.
- 12. During the Term, Lessee will finance, design, develop, construct, renovate, operate, and maintain the Property into the Project in accordance with the terms and conditions of this Lease, notably Article 2.B.1.
- 13. During the Term, Lessee shall:
- (a) obtain at its own expense all pertinent Federal, State, and local permits, licenses, and approvals (including those approvals of VA) necessary for construction, renovation and operation of the Facility;
- (b) assure that all applicable Federal, State, and local requirements are met during construction and operation of the Facility (including but not limited to, the latest version of the National Fire Protection Association (NFPA) 101 Life Safety Code; the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101, et seq.); the National Historic Preservation Act of 1966 (16 U.S.C. § 470, et seq.); and the Archaeological Resources Protection Act (16 U.S.C. § 470 et. seq.), all as such laws may be amended from time to time);
- (c) assure that the operation of the Facility in accordance with the preceding Clause "(b)" is not inconsistent with and will not adversely affect the mission of the Department;
- (d) certify in writing to DVR prior to the Lease-Up Date that the Improvements are as applicable, designed, constructed, or altered, and are suitable for use, in accord with appropriate earthquake-resistant design and construction codes and standards in compliance with the earthquake-resistant design provisions of the 2015 editions of the International Building Code (IBC) or the International Residential Code (IRC), nationally recognized building codes promulgated by the International Code Council (ICC), or equivalent codes, consistent with the provisions of and to the extent required by 40 U.S.C. 3312;

- (e) certify in writing to DVR prior to the Lease-Up Date that all sustainable requirements have been met, for the Facility to meet the U.S. Green Building Council LEED Silver certification or higher or other compatible sustainable certification;
- (f) assure that the Facility is operated as a drug free environment (other than properly prescribed medication) and take action promptly when this requirement is not met by occupants; and,
- (g) prohibit the consumption of alcohol in the Facility's common areas.
- 14. Prior to occupancy of the Facility by Lessee, and any other improvements placed on the Property after the Effective Date which are made available for occupancy, Lessee shall at its sole cost and expense, hire a City inspector or an independent inspector licensed by the State of California to conduct an inspection of the Facility and certify in writing that it has been completed in compliance with the applicable State and local building codes and standards, including the NFPA 101 Life Safety Code (the "Certificate of Substantial Completion"). The Department must receive the Certificate of Substantial Completion before Lessee may occupy or receive occupants into the Facility, and will promptly notify Lessee of its receipt of the Certificate of Substantial Completion from Lessee.
- 15. Lessee will at all times, during the Term and its development, construction, renovation, operation, and maintenance of the Facility, use all reasonable and commercial best efforts to act so as to avoid the occurrence of any action(s) contained in Article 22 which constitute events of default.
- 16. Lessee shall not be responsible for the maintenance and upkeep of the Access Roads as described in Article 5.E or other access roads which lie outside the boundaries of the Property ("Campus Roads"). Access that requires utilization of VA property other than the Property and Access Roads that is the subject of this Lease shall require advance coordination with and approval of the DVR.
- 17. Lessee will at its sole cost and expense, design, develop, construct, equip, and substantially complete the Facility within 730 calendar days after the Effective Date, in a good and workmanlike manner and pursuant to the Development Plan referenced in Article 10.A, and Article 22.A.3. Such date may be extended by events of Force Majeure or by mutual written agreement of the Lessee and DVR.
- 18. Lessee will be solely responsible for any and all costs associated with the repair and maintenance of the Facility, the grounds, which are a part of the Property, as well as any other structures on the Property in accordance with Articles 10 and 11 of this Lease.
- 19. Lessee will assure that its development, construction, operation and maintenance activities do not negatively affect VA's activities or operations, and use all reasonable and commercial efforts to conduct any of its construction activities involving noise, dirt, or other emissions that could negatively affect the VAMC's activities or operations to times falling within normal VA business hours.

- 20. At its sole cost and expense and in accordance with Article 10.A of the Lease and Exhibits "C" and "D" thereof, Lessee will take all necessary measures to: (a) control soil erosion during the design, development, construction, operation, and maintenance of the Facility through a detailed sediment control plan, with specifications to include necessary preventive measures to protect all water sheds, watercourses, and surface-water drainage from sedimentation, siltation, and pollution; (b) mitigate the long-term impacts relating to changes in surface water drainage patterns through the use of filtration and sediment ponds in accordance with State and local requirements; (c) expeditiously establish the necessary landscaping to minimize erosion; and (d) ensure that all established sediment ponds continue to empty surface water in the same respective directions and locations off of the Property following any development, construction, and maintenance activities of the Facility.
- 21. Lessee shall at all times comply with the provisions of the National Historic Preservation Act and the Archaeological Resources Protection Act, 16 U.S.C. § 470, et seq., and any Programmatic Agreements executed with the State Historic Preservation Office ("SHPO"), and shall coordinate and work with the Department and the SHPO as needed.
- 22. Lessee shall not knowingly remove or disturb, or cause or permit to be removed or disturbed, any historical, archeological, architectural or other cultural artifacts, relics, remains or objects of antiquity. In the event such items are discovered on the Property, Lessee shall immediately notify the DVR and protect the site and items from further disturbance until the DVR gives clearance to proceed.
- 23. Subject to the terms of Exhibit D, Lessee shall be responsible for coordinating the provision of police, fire protection and inspection, and emergency services to the Property during the Term.
- 24. (a) Lessee will, within six (6) months following the end of each annual fiscal year on which it operates, provide the Department with a copy of its audited financial statements for the Facility, along with a statement of revenues and expenditures, annual reports, and any related financial disclosure documents for such fiscal year (collectively, the "Lessee Financials"). For purposes of this section, "audit" shall mean financial statements prepared by a certified public accountant, with a level of assurance of at least a "review" (i.e., higher level of assurance than a "compilation"), and may be on a tax accounting basis, and will be conducted in accordance with attestation standards of the American Institute of Certified Public Accountants, as appropriate for a master leased property. Additionally, Lessee will promptly notify the Department telephonically and in writing of the occurrence of any material adverse change to its financial condition or circumstance that may affect its ability to perform its obligations under this Lease.
- (b) Upon receiving the Lessee Financials referenced in the preceding Subparagraph (a) of this Paragraph 24, VA shall be entitled to review them to ensure that Lessee is not undergoing a material and adverse financial condition or circumstance that would prevent Lessee from timely and adequately meeting its Lease obligations.
- (c) With respect to Lessee's obligations under this Paragraph 24, the Parties agree that if and to the extent that the highest court or other adjudicative body of competent jurisdiction to which the matter may be presented determines that any Lessee Financials submitted to VA (which

were not duly corrected or supplemented within a reasonable time period) are materially misleading, VA, to extent of any damages directly sustained thereby, shall be entitled to pursue any and all remedies available to it under this Lease, Federal, State, and local law, and at equity.

C. The Department represents and warrants to Lessee that it (i) has not encumbered or permitted any encumbrance or lien or option or notice thereof, with regard to the Property which gives any rights or allows the parties thereto or their successors to terminate this Lease or materially modify any of its terms or conditions, and (ii) will not encumber or create a lien on the title of the Property or cause said title to be encumbered in any manner without the consent of Lessee, Tax Credit Investor and Leasehold Mortgagee, which consent may not be unreasonably withheld, and Lessee may reduce or discharge any such encumbrance or lien by payment or otherwise at any time after giving thirty (30) days' written notice thereof to the Department and recover or recoup all costs and expenses thereof from the Department.

ARTICLE 7 - USE

- A. <u>Property Use In General</u>. Except as provided for in Section B of this Article, Lessee may use the Property during the Term only for the Project, which shall not include any political, gambling, obscene, or pornographic uses, or the implementation of any research activities or other programs illegal under or conflicting with or applicable Federal, State, and local law.
- B. <u>Prior Consent Required For Any Other Uses</u>. Consistent with Section A above and except as VA and Lessee may otherwise agree in writing, no other uses of the Property shall be permitted on the Property during the Term.
- C. Consistent with Sections A and B of this Article, and subject to the terms and conditions of this Lease, Lessee shall and may peacefully and quietly have, hold, and enjoy the Property for the Term, without disturbance from VA, and free from any encumbrance created or suffered by VA, except to which this Lease is made subject in accordance with Articles 5 and 20.

ARTICLE 8 - INTENTIONALLY DELETED

ARTICLE 9 - COMPLIANCE WITH APPLICABLE LAWS, RULES, AND REGULATIONS

- A. Lessee agrees that it will be responsible for and will obtain at its sole cost and expense, all applicable Federal, State, and local planning approvals, and other licenses and permits which are necessary to design, develop, construct, operate, and maintain the Property as contemplated in this Lease, including Article 7. Additionally, during the Term, Lessee at its sole cost and expense shall comply with all applicable Federal, State, and local laws, codes, and ordinances regarding the operation and maintenance of the Property.
- B. Lessee agrees that at or prior to submission of any plats, plans, specifications, or applications for any approval, license, or permit with respect to compliance with applicable

Federal, State, and local laws, codes, and ordinances, Lessee shall provide VA with a copy of each such proposed submission for review and approval (which shall not be unreasonably withheld, conditioned, or delayed). VA's comments on any submittal from Lessee will be provided to Lessee within thirty (30) calendar days of its receiving the submitted material. VA's review and approval shall be limited to ensuring that (1) there are no material conflicts involving the contents of the documents submitted to VA for review and the contents of Exhibits "C", "D", and "E"; (2) the proposed development and/or activities as reflected in the documents submitted to VA for review are architecturally compatible with the VAMC, are consistent with the Property uses identified in Article 7, and would not adversely affect VA's use and occupancy of the VAMC. In the event that VA disapproves of any proposed submission and design from Lessee (based upon the foregoing Clauses (1) and/or (2)), VA shall, along with a written objection, provide Lessee with a written explanation of the reasons for rejection of the proposed submittal and design. Unless the Department objects to the submitted material within thirty (30) calendar days, its approval shall be presumed. Lastly, Lessee shall provide VA with a complete copy of all approved plats, plans, specifications, and applications.

ARTICLE 10 - IMPROVEMENTS OR CONSTRUCTION ON THE PROPERTY

A. <u>Improvements</u>: Lessee at its sole cost and expense, will commence and complete the development and construction of the Project in accordance with the Design Plan (Exhibit "C") and the Development Plan (Exhibit "D"). All development, construction, and renovation activities, including but not limited to those relating to the use of roadways or pedestrian walkways, or connections with electricity, water, steam, sewer services, or other utilities, shall be coordinated in advance with the DVR. The repair of any damage to existing structures, systems, or facilities resulting from development, construction, or renovation activities relating to the Project, shall be the sole responsibility of Lessee, and any affected structures, systems, and facilities shall be immediately repaired or replaced by (or on behalf of) Lessee in a manner acceptable to VA.

Lessee shall not enter into any contract or agreement with any city, county, or governmental agency or body or public utility with reference to sewer lines or connections, water lines, or connections, street improvements, including but not limited to curbs, gutters, parkways, and street lighting, utility connections, lines or easements, without the prior written consent of the Department, which consent shall not be unreasonably withheld. The Department shall consent to or disapprove any proposed contract or agreement within forty-five (45) calendar days after the date of submission thereof by Lessee. Unless the Parties otherwise agree, the Department's failure to respond within such forty-five (45) calendar days shall be a deemed approval.

- B. <u>Lessee's Contracts For Construction</u>: Lessee agrees that any and all general construction contracts for the development, construction, and renovation of the Project and Facility, as well as any subsequent activities of this nature on the Property, shall contain clauses indemnifying and holding the Department harmless for any causes of action or damages arising as a result of any acts or omissions of the contractor(s).
- C. <u>Construction Documents</u>: Unless otherwise agreed to by DVR, Lessee agrees that prior to undertaking development, construction, or renovation of the Facility, it will provide the DVR

with a substantially complete copy of all development, construction, and renovation documents at least thirty (30) calendar days prior to undertaking any such activities.

- Design Review and Approval: The Department's comments on any submittal, to include the Design Plan; Development Plan; development, construction, and renovation documents; and any supplements thereto, will be returned to Lessee within thirty (30) calendar days of receiving the submittal. The Department shall have the right to reject such submittals. In any such instance, the Department shall, along with its objection, provide a detailed, written explanation of the reasons for rejecting the submittal. Unless the Department objects to the submitted material within such time period, approval shall be presumed. Upon receipt of any VA rejection, Lessee shall respond to the Department within ten (10) business days and identify specifically how it proposes to address each of the Department's objections. The Department shall then respond to the Lessee within ten (10) business days, and if the Department shall continue to have objections, the Department shall again specify those objections, and the Parties shall work together to expeditiously reach an agreed set of plans and specifications.
- E. <u>Access to Project Site</u>: Upon reasonable advance notice of not less than twenty four (24) hours for non-emergency situations, and in emergency situations immediate access, Lessee agrees to permit the Department's representatives, agents and employees with access to and right of entry onto the Property before, during, and after any development, construction, or renovation undertaken pursuant to this Article for the purpose of monitoring, observing, and making inquiries in order for the Department to determine compliance with the Lease. It is understood by the Parties that such activity does not relieve the Lessee of its responsibility for managing any and all on-site development, construction, and renovation activities.
- F. As-Built Drawings: Upon completion of any Project-related development, construction, or renovation activities, Lessee shall provide the DVR with two compete set of reproducible drawings (all disciplines) illustrating each and all stages of changes made to the Facility within 30 days of the project being substantially completed. The as-built drawings will incorporate all significant changes made over the life of the Facility. The title block shall be dated and entitled "As-Built Drawings." One electronic copy of the As-Built Drawings on CD, "AUTOCAD 2016" (read only format) or later edition if the DVR agrees in writing shall also be transmitted to the VA Facility Manager at the time of the reproducible drawings. The Department shall have the right to review the As-Built Drawings for accuracy and completeness, and request that Lessee make any and all necessary revisions, additions, and/or modifications to them if the Department reasonably finds and accurately deems them to be incomplete or inaccurate.
- G. <u>Mechanics and Labor Liens</u>: <u>Mechanics, Labor Liens, and Judgments</u>: Lessee agrees that it will not permit any claim or lien made by a mechanic, material man, laborer, or other similar liens, as well as any type or form of judgment (collectively "Liens"), to stand against the Property for work or materials furnished to Lessee or Lessee's subleases in connection with any development, construction, renovations, improvements, maintenance, operation, or repairs on the Property by Lessee or any contractors, subcontractors, builders, agents, employees, licensees, or invitees. Lessee shall cause such Liens to be fully discharged within thirty (30) calendar days after the date of filing thereof.

However, Lessee shall not be deemed to be in breach of this requirement if: Lessee (1) disputes, in good faith, the validity or amount of any such Liens; (2) provides the Department with such security as the Department may reasonably require to insure payment of any such Liens to prevent any sale, foreclosure, forfeiture, or any other action against all or a portion of the Property, by reason of such nonpayment; (3) diligently pursues a resolution of such dispute with continuity; and (4) discharges any such Liens within thirty (30) calendar days after the date such judgment is rendered or filed.

ARTICLE 11 - OCCUPANCY AND MAINTENANCE PROVISIONS

- A. Subject to the terms and conditions of this Lease, including Article 2.C, Lessee at its own expense, shall at all times protect, preserve, maintain, and repair the Property and Facility, and shall keep same in good order and condition. All grounds, sidewalks, lawns, shrubbery, and structures, both interior and exterior, shall be maintained to a standard that is comparable to and consistent with the maintenance provided for the surrounding VA facilities and property. Lessee shall at all times exercise due diligence in the protection of the Property against damage or destruction by fire or other causes. The Facility shall at all times be maintained in a tenantable, safe, and sanitary condition.
- В. In accordance with Article 11.A above, Lessee shall: (1) maintain all equipment and systems to provide reliable services without unusual interruption, disturbing noises, exposure to fire and safety hazards, and without emissions of dirt; (2) ensure that all maintenance work is performed in accordance with applicable codes, and display inspection certificates as appropriate; (3) provide labor, materials, and supervision to adequately maintain the Facility's structure, roof, interior and exterior walls, windows, doors, and any other necessary building appurtenances to provide watertight integrity, structural soundness, acceptable appearance, and continuing usability; (4) make all capital repairs, alterations, and replacements as necessary to maintain the usable condition of Property and Facility throughout the Term; and (5) notify and obtain written approval from the DVR at least thirty (30) calendar days prior to commencing any "significant nonemergency repair" on the Property (e.g., any repair that individually or in the aggregate would exceed \$150,000 escalating at 3% per annum starting in the second full year of operations; and notify the DVR at least ten (10) business days prior to commencing any "significant nonemergency repair" on the Property that would exceed \$50,000 escalating at 3% per annum starting in the second full year of operations. Any and all contemplated "significant non-emergency repair" exceeding \$150,000 escalating at 3% per annum starting in the second full year of operations, shall be considered construction as covered by Article 10 of this Lease, and thus will be subject to the requirements of such Article 10.
- C. The Department reserves the right to unilaterally amend any provisions of the Operations and Maintenance Plan (Exhibit "E") which it reasonably deems to be in violation of 38 U.S.C. § 8161, et seq. In the event that the Department intends to unilaterally amend provisions of the Operations and Maintenance Plan, the Department shall provide Lessee, Tax Credit Investor, and Leasehold Mortgagee with prompt advance written notice and if appropriate, as much time as is necessary to implement the operational and/or maintenance changes required by VA's amendment. In the event that Lessee, Tax Credit Investor, or Leasehold Mortgagee objects to the proposed unilateral amendment, the Department will work with Lessee to attempt to find a mutually

acceptable resolution to the concerns raised by Lessee, Tax Credit Investor and/or Leasehold Mortgagee, provided however, no such changes shall terminate or materially reduce access to the Property or change the use of the Property. Upon the Department's final acceptance, subsequent changes to such Operations and Maintenance Plan shall only be made by a written modification approved and executed by both the Department, and Lessee or its assignee pursuant to Article 19 of this Lease.

ARTICLE 12 - FUNDED MAINTENANCE ACCOUNT

- A. <u>Funded Maintenance Account.</u> Subject to Article 12(F) below, commencing on the first day of "Lease Up," Lessee shall establish and maintain a Funded Maintenance Account in an interest-bearing account in a financial institution approved by the Department. The Funded Maintenance Account shall be funded to the amount of \$250 per each Facility unit located on the Property, escalating at 3% per annum starting in the second full year of operations. The financial institution holding such account shall include the Department as a recipient of all account statements.
- B. <u>Purpose of the Account.</u> The funds of the Funded Maintenance Account shall be available for use by Lessee only for non-routine, capital repairs and replacements (including without limitation, roofing, HVAC systems, elevators, security, and fire safety systems) to the Facility and any other Improvements duly located on the Property that are made available for use and occupancy.
- C. <u>Conditions for Withdrawing Funds From the Account</u>. Prior to withdrawing any funds of the Funded Maintenance Account, Lessee shall: (1) per Article 6.B.14, provide VA with a copy of the Certificate of Substantial Completion pertinent to the Facility (and/or any other facility or Improvement(s) located on the Property) for which such funds are to be used; (2) provide the DVR with not less than ten (10) business days advance written notice of a proposed withdrawal along with detailed, written receipts identifying the costs for and types of "non-routine, capital repairs and replacement activities for which Lessee is seeking to withdraw funds out of the Funded Maintenance Account. Lastly, within ten (10) business days of VA's written request, Lessee shall provide VA with written, detailed receipts of the contractor(s) that are paid from funds of the Funded Maintenance Account.
- D. <u>Prohibition on Using the Funded Maintenance Account for Collateral Purposes or to Limit Lessee Obligations</u>. Lessee shall use the funds in the Funded Maintenance Account as described in Article 12.B and for no other purpose, and agrees, that it shall not pledge or use any monies therein as collateral. In addition, the establishment of the Funded Maintenance Account or its use does not in any manner limit Lessee's responsibilities under this Lease and Lessee remains responsible for any costs in excess of the Funded Maintenance Account.
- E. <u>Close Out of the Funded Maintenance Account</u>. Within thirty (30) calendar days following the expiration or termination of the Term, Lessee and the Department shall retain an architect mutually acceptable to the Parties (the "Architect") to inspect the Facility, and any other improvements on the Property that are made available for use and occupancy. The Architect shall prepare a report based upon the physical inspection of each such Improvement, within which it

shall identify any damaged items that pursuant to this Article and in the ordinary course of business, should be repaired or replaced using proceeds from the Funded Maintenance Account. Within thirty (30) calendar days following the issuance of the inspection report, at VA's discretion either: (1) VA will receive a distribution of funds from the Funded Maintenance Account equal to the cost of repairing or replacing the items identified in the inspection report, or (2) Lessee shall after VA's prior consultation as to the selection(s), hire one or more contractors to repair and correct such damaged items and remit the necessary funds in the Funded Maintenance Account to compensate each contractor for its work performed. Upon the earlier completion of either event described in Clauses (1) and (2) of this Paragraph E, the balance of the funds in the Funded Maintenance Account, with VA's cooperation as may be necessary, will be disbursed by the financial institution to the Lessee. For purposes of this Paragraph E only, notwithstanding the inspection report results, Lessee shall not be liable to the Department for any amount in excess of the amount of funds then existing in the Funded Maintenance Account.

F. Replacement Reserve Account. In lieu of the requirement for Lessee to maintain a Funded Maintenance Account as described in Article 12.A above, Lessee may after providing not less than thirty (30) calendar days prior written notice to VA, maintain a Replacement Reserve Account as required by the Leasehold Mortgagee and Tax Credit Investor, subject to the condition that no such funds can be used for purposes other than towards the Project as described in this Article 12, except and to the extent that VA first provides its prior written consent to the Lessee, and Tax Credit Investor, and Leasehold Mortgagee at VA's reasonable discretion. Lessee shall make payments into such Replacement Reserve Account in the amount \$250 per each Facility unit per annum, escalating at 3% per annum starting in the second full year of operations, which shall commence on the Lease-Up Date. Such Replacement Reserve Account shall in all respects comply with the requirements of Paragraphs (B) through (E) of this Article 12. Lessee shall provide the Department an update and summary of the Replacement Reserve Account as received from the Leasehold Mortgagee controlling such account. In the event that such Replacement Reserve Account shall be suspended or terminate for any reason, Lessee shall be required to immediately fund and maintain a Funded Maintenance Account as described in this Article 12.

ARTICLE 13 - INDEMNIFICATION BY LESSEE, GOVERNMENT NON-LIABILITY

- A. Except for damages or injuries resulting or arising from the acts of its officers, agents or its employees properly cognizable under the Federal Tort Claims Act (28 U.S.C. §§ 2671-2680), as it may be amended, neither the United States nor the Department shall be responsible for damages to the Property or for injuries to persons that may arise on the Property exclusive of those areas under the exclusive and direct control of the Department.
- B. Lessee, to the extent such is consistent with applicable Federal and State laws, policies and regulations, agrees to indemnify, save, hold harmless, and defend the United States and the Department and its respective officers, agents and employees, from and against all claims, actions, demands, losses, damages, liabilities, judgments, costs, and attorneys' fees, arising out of, claimed on account of, or in any manner predicated upon: (1) personal injury, death or property damage resulting from, related to, caused by or arising out of the construction (or defective construction), possession, and/or use of the Property by Lessee or its contractors, subcontractors, builders,

sublessees, agents, employees, licensees, or invitees; or (2) any activities, omissions, or services furnished by Lessee or any contractors, subcontractors, builders, sublessees, agents, employees, licensees, or invitees undertaking any activities on the Property or that relate to the Project, which fail to comply with the terms, conditions, reservations, restrictions, and requirements of this Lease and pertinent documents referenced herein. Such indemnity, save, hold harmless, and defend obligations of the Lessee in this Clause B shall not extend to those acts or omissions for which the Department is liable under the Federal Tort Claims Act (28 U.S.C. §§ 2671-2680), as discussed in Clause A above.

- C. The Department shall promptly notify Lessee of the existence of any claim, action, demand, or other matter to which Lessee's indemnification obligations to VA would apply, and shall give Lessee a reasonable opportunity to defend the same at its own expense and with counsel of its selection; provided that, the Department (including the United States) shall at all times also have the right to fully participate in the defense at its own expense. The Department shall cooperate with Lessee to the extent reasonably necessary in any such defense. If Lessee shall, within a reasonable time after notice to Lessee, fail to defend, the Department shall have the right, but not the obligation, to undertake the defense of, and (while exercising reasonable business judgment in its discretion) to compromise or settle the claim or other matter on behalf, for the account, and at the risk, of Lessee. If the claim is one that cannot by its nature be defended solely by Lessee, then the Department shall make available all information and assistance that Lessee may reasonably request (in VA's discretion).
- D. NOTHING IN THIS LEASE SHALL BE DEEMED TO WAIVE OR IMPAIR THE IMMUNITIES OR LIMITATIONS OF LIABILITY OF LESSEE OR THE DEPARTMENT AS TO THIRD PARTIES, DIRECTLY OR INDIRECTLY, AND NOTHING IN THIS LEASE SHALL BE DEEMED TO PROVIDE A RIGHT OF ACTION IN FAVOR OF A THIRD PARTY AGAINST THE DEPARTMENT OR AGAINST LESSEE WHICH WOULD NOT OTHERWISE EXIST.

ARTICLE 14 - RISK OF LOSS AND INSURANCE

All Risk: During the Term, Lessee shall, in any event and without prejudice to any other rights of the Department, bear all risk of loss or damage to the Property arising from any causes whatsoever with or without fault, including but not limited to, fire; lightning; storm; tempest; explosion; impact; aircraft; vehicles; smoke; riot; civil commotion; bursting or overflowing of water tanks, apparatus or pipes; loss or damage by explosion of steam boilers, pressure vessels and similar apparatus now or hereafter installed; flood; labor disturbances; earthquake; malicious damage; or any other casualty or act of God to the fullest extent permitted by law. Lessee, and to the extent that this Lease is conveyed, transferred, assigned or sub-leased, shall maintain, at its own expense, an "All Risk" insurance policy against the risks enumerated in Article 14.B below with a reputable insurance company of recognized responsibility. Such insurance shall be maintained at all times in an amount as specified in this Article. Provided always, however, that Lessee shall bear all risk of loss of or damage to such property for the entire Term for any work or other responsibilities required to be performed under the provisions of this Lease, except as otherwise provided for by the Federal Tort Claims Act (28 U.S.C. §§ 2671-2680).

In addition, Lessee shall maintain at its sole expense, all that insurance further required in accordance with this Article. Maintenance of insurance required in accordance with this Article must include acts resulting from the willful misconduct, lack of good faith, or negligence of Lessee or any of its officers, agents, servants, employees, subtenants, licensees or invitees or by any failure on the part of Lessee to fully perform its obligations under this Lease. Maintenance of insurance required in accordance with this Article shall effect no limitation on Lessee's liability with respect to any loss or damage resulting from the willful misconduct, lack of good faith, or negligence of Lessee or any of its officers, agents, servants, employees, subtenants, licensees, or invitees or by any failure on the part of Lessee to fully perform its obligations under the Lease.

In addition to any insurance requirements contained in this Lease, Lessee shall comply, at all times, with the insurance requirements of Tax Credit Investor and Leasehold Mortgagee.

B. **Insurance:**

- 1. <u>The Lessee's Insurance</u>: Lessee, at its expense from Project funds, shall carry and maintain with regard to the Property, the following insurance during the Term:
 - a. All-risk property and casualty insurance against the risks enumerated in Section "A" of this Article in an amount at all times equal to at least 100% of the full replacement value of the Improvements to the Property, to include the Facility;
 - b. Public liability and property damage insurance, including but not limited to, insurance against assumed or contractual liability under this Lease, with respect to the Property as specified above, to afford protection with limits of liability in amounts approved from time to time by the Department, but not less than \$1,000,000.00 in the event of bodily injury and death to any number of persons in any one accident, and not less than \$1,000,000.00 for property damage;
 - c. Workers' compensation or similar insurance in form and amounts required by law;
 - d. All other types of insurance imposed by applicable legal requirements or customarily carried and maintained by owners and operators of similar properties, and as the Department may reasonably require upon written notice to Lessee for its protection;
 - e. All amounts of insurance required by this Article shall be adjusted annually, to reflect increases in 100% of the full replacement value of the Property. Lessee agrees that it will not subrogate to its insurance carrier any right or action that it has or may have against the Department for any loss covered by insurance, nor will Lessee, if it is suffering (or about to suffer) such loss, prosecute any suit against the Department by reason of such loss for which it is covered by insurance. Lessee agrees to notify its insurance carrier(s) of the provisions of this Article.
- 2. <u>The Lessee's Contractor's Insurance</u>: During the Term, Lessee shall require any contractor performing work on the Property to carry and maintain at no expense to the Department the following insurance:

- a. Comprehensive general liability insurance, including but not limited to, contractor's liability coverage and contractual liability coverage of at least \$1,000,000.00 with respect to personal injury or death, and one million dollars (\$1,000,000.00) with respect to property damage;
- b. Workers' compensation or similar insurance in form and amounts required by law; and
- c. Any other insurance as the Department may reasonably require in order to protect itself and its personnel in the discharge of its duties and obligations hereunder.

Lessee and/or Lessee's contractors shall be obligated to correct any damage caused by or attributable to such contractor or subcontractors for the work or materials performed by or on behalf of Lessee.

- 3. Policy Provisions: All insurance, which this Lease requires Lessee to carry and maintain or cause to be carried or maintained pursuant to this Section B shall be in such forms, for such amounts, for such periods of time, and with such insurers as the Secretary shall approve. All policies or certificates issued by the respective insurers for public liability and all-risk property insurance will name the Department and Lessee as insured or joint loss payees as their respective interests appear, shall provide that any losses shall be payable notwithstanding any act or failure to act or negligence of Lessee or the Department or any other person, and provide that no cancellation, reduction in amount, or material change in coverage thereof shall be effective until at least thirty (30) calendar days after receipt of notice by the Department in all such instances. In no circumstance will Lessee be entitled to assign to any third-party rights of action that Lessee may have against the Department. Further, each such policy shall provide that the insurer shall furnish written notice to the Department thirty (30) calendar days in advance of the effective dates of any reduction or cancellation of such policies.
- 4. **Delivery of Policies:** Lessee shall deliver promptly to the Department a certificate of insurance or a certified copy of each policy of insurance required by this Lease and shall also deliver no later than thirty (30) calendar days prior to the expiration of any such policy, a certificate of insurance or a certified copy of each renewal policy covering the same risks, together with appropriate evidence of payment of the premiums.

C. Loss or Damage:

1. In the event that the Property or any part thereof, is damaged by fire or by other casualty, whether or not such casualty is the fault of, or results from negligence of Lessee, other than the results of negligence of Department personnel cognizable under the Federal Tort Claims Act (28 U.S.C. §§ 2671-2680), Lessee shall: (a) within thirty (30) calendar days of such damage file an insurance claim seeking sufficient proceeds to cover such damage; and (b) within one hundred eighty (180) calendar days of receiving such proceeds, commencing repair, restoration, or rebuilding of the Property to its original condition (as evidenced by receipt of a building permit for such repair, restoration or rebuilding) by applying all such monies towards that result. Any repairs or reconstruction shall be performed in accordance with plans and specifications approved by the Department (which approval the Department shall not unreasonably withhold, condition or

delay provided that the plans and specifications are substantially similar to the plans and specifications for the Improvements as originally constructed by Lessee), provided that if the repairs or reconstruction diligently pursued cannot be reasonably commenced within one hundred twenty (120) calendar days, Lessee shall have such time as is reasonably required and agreed to by the parties to complete, as applicable, the repair or construction.

- 2. If Lessee refuses, or fails to repair, restore, rebuild, or demolish the Property or any part thereof so damaged or destroyed, to the satisfaction of the Department in accordance with Article 14.C.1 above, the Department may terminate this Lease by providing written notification to Lessee. In such event, title to the Facility and any other improvements placed on the Property shall vest in the Department without notice or further action being required on the Department's part, and the Department may undertake the repair, restoration, rebuilding, or demolishing of the Facility and any other Improvements placed on the property or the damaged or destroyed portion thereof, and may complete it, by contract or otherwise, and may take possession of and use any materials on the work site necessary for completing the work. Lessee and its sureties shall be liable for any damages or costs incurred by the Department to repair, restore, rebuild, or demolish the Facility and any other Improvements placed on the Property, or the damaged or destroyed portion thereof. This liability includes costs incurred by the Department in completing the work.
- D. Effect of Condemnation. If all or a substantial portion of the Lessee's right, title, and interest hereunder shall be condemned, appropriated, or taken under the power of eminent domain by a taking authority, or conveyed in lieu of condemnation (each such event shall hereinafter be referred to as a "Taking"), and if, in Lessee's reasonable judgment, the remainder of the Property is not sufficient to permit Lessee to operate the Property under this Lease in a manner that is economically viable and Lessee so notifies the Department in writing, then the Term shall terminate at the time title to the Property vests in the Federal Government or other taking authority (hereafter referred to individually or collectively if applicable as the "Taking Authority") via the Taking; provided, however, that Lessee's rights under this Section shall be subject to the rights of the holder of any Leasehold Mortgage. Any award monies paid or payable by the taking authority in connection with the Taking shall be payable to Lessee and/or to the Leasehold Mortgagee, as their interests appear, but such monies shall be subject to any appropriate offset(s) if applicable law so allows and the Lessee is determined to owe outstanding monies to the Taking Authority in connection with this Lease, any other Government contract(s), or any other contracts or legal obligations with such Taking Authority.

ARTICLE 15 - DELIVERY, RESTORATION, AND SURRENDER

- A. <u>Delivery of the Property to Lessee</u>. Upon the Effective Date, the Department shall deliver physical possession of the Property to Lessee, free and clear of any tenancy or occupancy by third parties, except as permitted in Article 5 above.
- B. <u>Reversion of Leasehold Title and Vesting of Improvements</u>. Upon the expiration or termination of this Lease, all right, title and interest of Lessee (and anyone claiming by, under, or through Lessee) in and to the Property, Improvements, and all machinery, equipment, fixtures, and personal property attached or used in connection with the Property, whether or not the same become fixtures, shall immediately revert to and/or vest in the Department without compensation

therefor, and without any further action by the Parties. However, should any further action be necessary to accomplish such reversion and vesting, Lessee agrees to cooperate with VA and take all actions reasonably necessary to accomplish the same. No claim for damages against VA or its officers or agents shall be created or made on account of such expiration or termination of this Lease.

C. <u>Surrender of the Property by Lessee</u>. Lessee shall at its sole cost and expense and on or before the expiration or earlier termination of this Lease, vacate and deliver physical possession of the Property, together with the Improvements located thereon, to the Department. At that time, the Property shall be in good order, condition and repair, normal wear and tear excepted, and free and clear of any tenancy or occupancy by third persons and/or sublessees, Sublessees, and Space Tenants. If Lessee shall fail, refuse, or neglect to vacate the Property and remove its and its Subtenant's personal property, then upon expiration or termination of this Lease, such personal property shall be considered abandoned and, at the option of the Department, either become the property of VA without compensation therefor, or the Department may cause it to be removed and/or destroyed at the expense of Lessee, and no claim for damages against the Department, its officers, or agents shall be created or made by or on account of such removal and/or destruction.

ARTICLE 16 - ENVIRONMENTAL PROVISIONS

A. To the extent the Comprehensive Environmental Response, Compensation and Liability Act, as amended, 42 U.S.C. §§ 9601-9675 ("CERCLA"), the Resource Conservation Recovery Act, as amended, 42 USC 6901, et seq. ("RCRA"), or other applicable environmental law properly imposes liability, loss, expense, damage, or cost upon VA for any matter relating to any hazardous material or otherwise of an environmental nature on or affecting the Property due to (1) the United States' status as Federal owner of the Property, (2) acts of VA and/or former owners on or affecting the Property, or (3) acts or omissions of government contractors on or affecting Property that occurred while VA had jurisdiction and control of the Property, VA shall indemnify Lessee, its directors, partners, officers, trustees, members, employees, agents, successors, and assigns ("Indemnitees") for any liability, loss, expense, damage, or cost incurred or suffered by the Indemnitees and arising from any of the foregoing acts set forth in Clauses (1), (2), and/or (3) and properly assessable against VA under CERCLA, RCRA, or other applicable environmental law. Lessee shall immediately notify VA upon receipt of any notices, claims, or other information that identifies any environmental problems on or related to the Property which may require Lessee and/or VA action and/or expenditure of funds.

Consistent with the Anti-Deficiency Act (codified as amended in 31 U.S.C. 1341, 1342, 1351, and 1517), the payments of VA with respect to this indemnification shall not exceed appropriations available to VA which can be lawfully expended for such purposes at the time of the claim; and nothing in this Lease may be construed as implying that Congress will at a later date appropriate funds to meet any deficiencies.

B. Notwithstanding Article 16.A above, to the extent Comprehensive Environmental Response, Compensation and Liability Act, as amended ("CERCLA"), the Resource Conservation Recovery Act, as amended ("RCRA"), or other applicable environmental law properly imposes liability, loss, expense, or damage, or cost upon VA for any matter relating to any hazardous

material or otherwise of an environmental nature on or affecting the Property due to acts of Lessee, its contractors, builders, sublessees, agents, employees, and/or licensees relating to the Project, including any environmental remediation, which occur after the Effective Date, Lessee shall indemnify VA for any liability, loss, expense, damage, or cost incurred or suffered by VA and properly assessable against Lessee under CERCLA, RCRA, or other applicable environmental law. Lessee shall immediately notify VA upon receipt of any notices, claims, or other information that identifies any environmental problems on or related to the Property which may require Lessee and/or VA action and/or expenditure of funds.

- C. In accordance with Article 16.B above, if and to the extent that VA during the Term is held, by a final decision of the highest court or other adjudicative body of competent jurisdiction to which the matter has been presented, liable for costs and/or damages associated with the improper treatment, disposal, and/or release of one or more "Hazardous Substances" (as defined in Article 34 below) on or affecting the Property, VA at its sole and absolute discretion, may seek to initiate good-faith discussions and negotiations with Lessee, for Lessee on VA's behalf and upon the Parties' consummation of a separate written agreement, to undertake and complete any and all required environmental remediation and abatement activities in accordance with all applicable Federal, State, and local law.
- D. Should additional environmental studies under the National Environmental Policy Act, 42 U.S.C §§ 4321-4370d, as amended ("NEPA"), CERCLA, or other applicable environmental law become necessary during the Term due to proposed development activities beyond the scope of the Project development as reflected in the Design Plans and Development Plans referenced in Article 10.A, then unless the Parties otherwise agree in writing, the fees, costs, and expenses necessary to perform such studies shall be the sole responsibility of Lessee.

ARTICLE 17 - BONDS OF SECURITY

Not less than thirty (30) calendar days prior to undertaking any renovation or construction, Lessee shall furnish evidence of a "Payment and Performance Bond" between Lessee and the construction contractor, with a sum equal to one hundred percent (100%) of Lessee's total costs of construction, development, and renovation. The bond of any surety company holding a certificate of authority from the Secretary of the Treasury as an acceptable surety of Federal bonds will be accepted. The United States of America, acting through the Secretary, shall be named as dual obligee on each "Payment and Performance Bond" (including subcontract bonds) obtained by Lessee. The Department shall have the right to approve or reject any and all terms and conditions of any and all bonds obtained by Lessee pursuant to this Lease, provided however the Department agrees that Leasehold Mortgagees may be dual obliges on each Payment and Performance Bond. In addition, the terms and conditions of each "Payment and Performance Bond" shall be subject to the prior approval of the Department.

ARTICLE 18 - NOTICES

A. All notices, or other correspondence required under or arising from the terms of this Lease from the Department to Lessee shall be served on or mailed to Lessee's designated representative,

who shall notify the DVR in writing of any change in Lessee's designated representative, and/or the address or office to be notified. All notices or other correspondence required or arising from the terms of this Lease from Lessee to the Department shall be served on or mailed to the DVR who shall notify Lessee's designated representative in writing of any change in the DVR, and/or the address or office to be notified.

B. All notices, reviews, approvals and other communications required or permitted under this Lease shall be in writing and will only be deemed properly given and received (1) when actually given and received, if delivered in person to a party who acknowledges receipt in writing; or (2) one (1) business day after deposit with a private courier or overnight delivery service, if such courier or service obtains a written acknowledgment of receipt; or (3) three (3) business days after deposit in the United States mails, certified or registered mail with return receipt requested and postage prepaid; it being understood and agreed that the period for any approval to be given hereunder shall run from the party's receipt of the documentation required for such approval as described herein with a formal written request for such approval shown thereon. The designated representatives shall be:

Department: Department of Veterans Affairs

Office of Asset Enterprise Management (044)

810 Vermont Avenue, N.W. Washington, D.C. 20420 Phone: (202) 632-7092

Attn: DVR

With copies to: Department of Veterans Affairs

West Los Angeles Medical Center

11301 Wilshire Blvd. Los Angeles, CA 90073 Phone: (310) 268-3132

Attn: Greater Los Angeles Healthcare System Director

Department of Veterans Affairs Office of General Counsel (025A) 810 Vermont Avenue, N.W. Washington, D.C. 20420

Phone: (202) 461-7612 Fax: (202) 273-9384

Attn: Chief Counsel (EU Leasing)

Lessee: VA Building 207 LP

11811 San Vicente Blvd Los Angeles, CA 90049

Attn: President

With Copies To Leasehold Mortgagees and Tax Credit Investor:

Wells Fargo Affordable Housing Community Development Corporation MAC D1053-170 301 South College Street, 17th Floor Charlotte, NC 28288

Los Angeles County Development Authority 700 West Main Street Alhambra, CA 91801 Attn: Executive Director Fax No. (626) 943-3816

Attn: Director of Tax Credit Asset Management

Los Angeles County Development Authority 700 West Main Street Alhambra, CA 91801 Attn: Director of Housing Investment and Finance Fax No. (626) 943-3816

City of Los Angeles
Housing and Community Investment Department
P.O. Box #532729
Los Angeles, CA 90053-2729
Attention: Portfolio Management Unit (HIMS# 19-126546)
CC: Director of Finance and Development Division

Wells Fargo Bank, National Association 301 S. College Street, MAC D1053-170 Charlotte, North Carolina 28288 Attention: Manager, CLI Deal Management

With Copies To:

Wells Fargo Bank, National Association Community Lending and Investment MAC #E2064-092 333 S. Grand Avenue, 7th Floor Los Angeles, California 90071 Attention: Christian M. von Merkatz Loan No. 1019790

California Community Reinvestment Corporation 100 West Broadway, Suite 1000 Glendale, California 91210 Attention: President

ARTICLE 19 - ASSIGNMENT AND SUBLETTING

- A. <u>The Lease Is Binding Upon Lessee's Successors and Assigns</u>. Subject to and in accordance with Article 19.F below, Lessee hereby agrees that all of the covenants, conditions, obligations and liabilities contained in this Lease shall be binding upon and inure to the benefit of any successors and assigns of Lessee (including, without limitation, a Leasehold Mortgagee or a purchaser/assignee in foreclosure, but only during or arising from the period of their respective possession or ownership of the Property) to the same extent as if the successors and assigns were in each case named as a party to this Lease.
- B. Subject to the provisions of Article 20 and except as set forth in Section D of this Article 19, Lessee may not sell, convey, transfer or assign this Lease or any interest therein, or in the Property, or grant an interest, privilege or license in connection with this Lease, without the prior written consent of the Department, which consent shall not be unreasonably or arbitrarily withheld or delayed, so long as the Department determines that the assignment or sale is not inconsistent with the terms and conditions of this Lease and that such assignee or purchaser is a responsible party ("Responsibility Determination"); or (ii) transfers of Lessee's interests regarding this Lease by foreclosure of Leasehold Mortgages by or for the benefit of Leasehold Mortgagees, as well as assignments by Lessee in lieu of foreclosure of a Leasehold Mortgage, which may occur without the consent or approval of the Department. Factors to be considered by the Department in making a Responsibility Determination include, but are not limited to, a determination that the proposed successor or assignee: (1) expressly agrees to at all times use the Property in accordance with the terms and conditions of the Lease; (2) has provided the Department with the certification described in Article 19.F; (3) expressly agrees and understands that the proposed assignment or sale is subject to the rights, title and interests of the United States and VA under the Lease; (4) is a Qualified Party, and a responsible party as more fully described in Article 20.F.1, (5) has an adequate record of successfully operating and maintaining prior projects similar to that of the Project; and (6) has an adequate financial history and profile (net worth, cash flow, and credit support) to successfully meet the financial commitments of the Project and the Lease's terms and conditions. Notwithstanding anything to the contrary contained in this Lease, the Department agrees that the following are permitted transfers and assignments under this Lease and do not require the consent of the Department:
 - 1. Transfers of the limited partnership interest of Lessee to another Qualified Party; and
- 2. The temporary admission of Tax Credit Investor or its affiliate as a general partner of Lessee, provided that Tax Credit Investor or its affiliate is a Qualified Party at the time of transfer and that such transfer is for a period less than one hundred and eighty (180) days, unless the Department has agreed in writing to an extended period of time.

Within ten (10) days of any such permitted transfer, Lessee shall provide written notice to the Department.

C. When making any Responsibility Determination, the Department shall have fifteen (15) business days following written notice from Lessee to object to the proposed assignee or transferee.

In the event that the Department based on the criteria in Section B above "rejects" the proposed assignee or transferee, the Department shall disclose the nature and scope of the conflict to Lessee and shall provide Lessee fifteen (15) business days thereafter within which to provide additional information and request in writing that the Department reconsider its determination. The Department, under reconsideration, may grant or deny approval of the proposed assignee or transferee in accordance with the "factors" identified in items (1) through (7) of Section B above, and shall so notify Lessee of its determination in writing within fifteen (15) business days of the reconsideration request. Alternatively, if the Department fails to object within said fifteen (15) business day period, it shall be deemed to have waived any objection. However, if upon reconsideration, the Department continues to object based upon the aforementioned "factors," and timely advises Lessee of the same, the Parties will continue working together in good faith to resolve the issue(s), subject to the Parties' rights in Article 25 below.

- D. Notwithstanding Articles 19.B and C, but subject to Article 7, the subleasing of any part of the Facility, and any other Improvements located on the Property and made available for use and occupancy, is freely permitted without the prior consent of the Department, provided that in the case of a sublease (or other agreement), any such sublease, whether to a Sublessee or to a tenant other than a natural person residing in any of the aforementioned improvements (a "Space Tenant"), Lessee shall notify the Department in writing of the name, and address of such Space Tenant and the nature of its business; identify the property and premises being subleased; and notify VA in writing that to the best of Lessee's knowledge and belief: (1) the proposed sublease to the Space Tenant does not violate any terms, covenants or conditions of this Lease; (2) based upon Lessee's internet website search of https://www.sam.gov/portal/public/SAM/ (as said website and/or its underlying list may change or be updated from time to time) within the immediately preceding thirty (30) calendar days, the prospective Space Tenant or any persons within the corporate or business structure of such entity is a Qualified Party; and (3) based upon Lessee's internet website search of http://www.state.gov/j/ct/rls/crt/ (as said website and/or its underlying list may change or be updated from time to time) within the past thirty (30) calendar days, the prospective Space Tenant does not appear in the latest edition of the publication entitled "Country Reports on Terrorism."
- E. The Department agrees that during the Term and subject to the terms and conditions of this Lease, any approved assignee or transferee shall have the right to attorn to the Department, and the Department will accept such attornment and not disturb the occupancy or rights of such assignee or transferee pursuant to its transfer, assignment, grant, purchase, or sublease agreement with Lessee. The Department agrees to execute any non-disturbance agreement as may be reasonably requested by Subtenant, and which the Department reasonably finds to be reasonable, to memorialize and effectuate the provisions of this Article.
- F. Any succession or assignment permitted and carried out pursuant to this Article is contingent upon the execution of a written certification by the proposed assignee or transferee stating that such entity agrees to comply with all terms, covenants, obligations and liabilities contained in this Lease. The assignee or transferee shall be deemed to have assumed all of the obligations of Lessee under this Lease, but such shall not relieve Lessee of any of its obligations under this Lease as provided in Section A above, except upon the express release therefrom, if any, by VA in its sole and absolute discretion.

G. For any Sublease that Lessee grants in accordance with this Lease, the Lessee agrees to ensure that each underlying Sublease expressly stipulates that: (1) the Sublease shall at all times be subject and subordinate to the Lease, VA's rights and remedies contained therein, and to any amendments thereto; and (2) VA shall have the right but not the obligation to enforce Sublessee compliance with the provisions of the Sublease, in the event and to the extent Lessee fails to do so. Any Sublessee breach or violation of any provision of the Lease shall constitute a Lessee Event of Default under the Lease.

ARTICLE 20 - ENCUMBRANCE OF THE PROPERTY

A. Prohibition Against Encumbrance of the Property:

- 1. Nothing contained in this Lease authorizes Lessee to encumber in any manner, during the Term, the United States' (i.e., the Department's) fee interest in the Property. Such fee interest in the Property may not be subordinated or otherwise made subject to any deed of trust, mortgage, or other lien, or other encumbrance granted, suffered, or permitted by Lessee.
- 2. Lessee covenants that it shall not create or cause to be created a mortgage, lien, or other encumbrance to be placed upon the Property, other than such mortgage, lien, or encumbrance to be placed on Lessee's leasehold interest therein pursuant to Section B of this Article, or as otherwise permitted pursuant to the terms of this Lease. Subject to Lessee's rights in Article 20.A.3 below, the creation of any mortgage, lien, or encumbrance, other than permitted by Paragraph B of this Article, shall be deemed a Lessee Event of Default on the date of its execution of filing of record in accordance with the provisions of Articles 22 and 23 of this Lease.
- 3. Lessee may in good faith and at Lessee's own expense contest the validity of any asserted lien, claim, or demand not permitted under this Article; provided Lessee has furnished a bond or cash deposit freeing the Property from the effect of such a lien claim, and provided the Department with written evidence thereof. If such lien is not promptly discharged by Lessee: (1) within thirty (30) calendar days after a judgment is rendered following any unsuccessful challenge of Lessee as to the validity of the asserted lien or (2) if no such challenge is made, within such thirty (30) calendar days after Lessee receives a written request from VA to discharge or free the Property from the effect of such a lien, the Department may, but shall not be obligated to, discharge such lien. Any amount so paid by the Department for any such purpose, with interest thereon at the prevailing rate of interest for "90-day U.S. Treasury Bills" or its successor from the date of any such payment, shall be repaid by Lessee to the Department not later than thirty (30) calendar days following Lessee's receipt of written notice from the Department.

B. Encumbering Lessee's Leasehold Interest:

1. Lessee may encumber the Property to the extent necessary to provide financing for the costs of development, construction, renovation, operation, and maintenance of the Property as specified in this Lease, including, but not limited to, the recording against the leasehold interest of any required Regulatory Agreement, Land Use Restriction Agreement, Extended-Use Agreement or Restrictive Covenant associated with such financing or low-income housing tax credits (collective, "Affordable Restrictions"), but only so long as any such instrument expressly states

that it is subject to this Lease. At the time required by California Tax Credit Allocation Committee ("TCAC"), Department and Lessee agree to execute and record the Lease Rider Agreement in the form attached hereto as Exhibit "H". Any loan involving a security interest in the leasehold may not be closed until the Department has verified, or such verification is deemed to have been provided in accordance with this Section, that the following conditions are satisfied:

- (a) The proposed loan does not subordinate the Department's underlying fee interest in the Real Property;
- (b) Except as provided by the Department, the proposed loan does not modify the Department's rights, interests, remedies, or liabilities under the Lease;
- (c) The proposed loan does not contain any provision of Department financing or any explicit Department guarantee of third-party financing through direct or indirect guarantees of the Project, such as a "full faith and credit" guarantee of debt repayment by the Department, implicit guarantee through repayments sourced from Federal funds, or other actions that remove a substantial amount of the investor's risk through Department commitment; and
 - (d) The proposed loan is being provided by a Qualified Party.

If, within ten (10) business days of receipt of any such proposed loan involving a security interest in the leasehold (including any subsequent amendments or modifications thereto), the Department does not send a written notice to Lessee identifying that one or more of the above conditions was not satisfied, the Department shall be deemed to have verified that the above conditions have been satisfied.

- 2. Promptly after assigning this Lease or encumbering the Property as provided herein (i.e., Article 20.A.1 and 20.A.2 above), Lessee shall furnish the Department a true and verified copy of any leasehold mortgage ("Leasehold Mortgage") and other documents creating or securing the indebtedness thereby secured, and written notice setting forth the name and business address of the Leasehold Mortgagee ("Leasehold Mortgagee") or Tax Credit Investor. During the Term, Lessee also shall provide the Department with a copy of any amendments or modifications to the Leasehold Mortgage (and any other documents creating or securing the indebtedness), and written notice of any changes to the name and/or business address of the Leasehold Mortgagee.
- 3. During the Term, the making of any Leasehold Mortgage shall not be deemed to constitute an assignment, nor shall any Leasehold Mortgagee not in possession of Lessee's leasehold estate be deemed an assignee of the leasehold estate so as to require such Leasehold Mortgagee to assume the obligations of Lessee hereunder; however, as further provided in this Article 20.B.3, any Leasehold Mortgagee in possession, purchaser at a foreclosure sale of the leasehold estate, or assignee pursuant to an assignment in lieu of foreclosure shall be deemed to be an assignee of Lessee and shall be deemed the successor to (but only for the period of its leasehold ownership) the obligations of Lessee hereunder from and after the date of such purchase or assignment ("Successor"). Such Successor shall be fully bound by the provisions of this Lease, except to the extent that any unperformed obligations of Lessee at the time of, as applicable, such possession, foreclosure, or assignment in lieu of foreclosure, are personal in nature and incapable of being performed by the Successor.

- 4. Lessee agrees to make all payments and perform all obligations required or secured by any Leasehold Mortgage as and when the same are required to be made or performed thereunder.
- 5. In no event shall Lessee commence any development, construction, or renovation activities regarding the Facility, or any other Improvements on the Property after the Effective Date that are made available for occupancy, until Lessee provides VA with documentary evidence that Lessee has adequate financial resources to undertake and complete that respective aspect of the Project.

C. Notices to Leasehold Mortgagees and Tax Credit Investor:

- 1. Notwithstanding anything to the contrary set forth in this Lease:
- 2. The Department shall mail to each such Leasehold Mortgagee, who is properly identified to VA pursuant to Article 20.B above, a duplicate copy of any and all notices that the Department may be required from time to time to serve upon Lessee pursuant to the provisions of this Lease; and no notice by the Department to Lessee hereunder shall be deemed to have been given unless and until a copy thereof has been mailed to the Leasehold Mortgagee.
- 3. The Department shall provide each Leasehold Mortgagee that is properly identified to VA pursuant to Article 20.B above with a duplicate copy of any notice sent to the Lessee (or any of its successors or assigns) advising of any change in the proper representative and/or office to be notified when sending notices or correspondence to the Department.
- 4. The Department shall mail to the Tax Credit Investor at the address set forth in Article 18 of this Lease, a duplicate copy of any and all notices that the Department may be required from time to time to serve upon Lessee pursuant to the provisions of this Lease; and no notice by the Department to Lessee hereunder shall be deemed to have been given unless and until a copy thereof has been mailed to the Tax Credit Investor.

D. Lease Termination Protection:

- 1. The Department shall not agree to any mutual termination or cancellation of this Lease nor accept any surrender of this Lease (except upon the expiration of the Term) nor shall the Department consent to any material amendment or modification of this Lease without the prior review and written consent of each Leasehold Mortgagee and Tax Credit Investor, who is properly identified to VA pursuant to Article 20.B above. A material amendment or modification of this Lease shall include without limitation any shortening of the Term, increase in the rent or other expenses charged to Lessee under this Lease, a change in the permitted use of the Property, or reduction in the access to the Property.
- 2. Notwithstanding any default by Lessee in the performance or observance of any covenant, condition or agreement of this Lease on the part of Lessee to be performed or observed, all rights of the Department to terminate this Lease for such Lessee default shall be subject to and conditioned upon (a) the Department having first given the Leasehold Mortgagee and Tax Credit Investor written notice of, and an opportunity to cure such default per Section E below, and (b) the Lessee's, Tax Credit Investor's (on behalf of the Lessee) and Leasehold Mortgagee's having failed

to remedy such default as set forth in, and within the applicable time period specified by Section E of this Article.

3. Each Leasehold Mortgagee and Tax Credit Investor who is properly identified to VA pursuant to Article 20.B above shall have the right, but not the obligation (except as otherwise may be provided herein as to a Leasehold Mortgagee in possession of the Property), at any time prior to termination of this Lease and without payment of any penalty, to pay all of the rents due hereunder, to provide any insurance, to pay any taxes and make any other payments, to make any repairs and improvements and do any other act or thing required of Lessee hereunder, and to do any act or thing which may be necessary and proper in the performance and observance of the covenants, conditions and agreements hereof to prevent the termination of this Lease. All payments so made and all things so done and performed by the Tax Credit Investor (on behalf of the Lessee) or Leasehold Mortgagee shall be as effective to prevent a termination of this Lease as the same would have been if made, done and performed by Lessee instead of by the Leasehold Mortgagee or Tax Credit Investor, as applicable.

E. Leasehold Mortgagee and Tax Credit Investor Cure Rights:

- After receipt of notice from the Department setting forth the nature of such default within 1. which to remedy the default, a Leasehold Mortgagee and Tax Credit Investor shall have the same rights as Lessee to cure any default hereunder on behalf of Lessee; provided that Leasehold Mortgagee and Tax Credit Investor shall have an additional ninety (90) days to cure beyond the cure period afforded to Lessee to cure such default (with additional time as needed in the event that the cure of such default has been commenced and is being diligently prosecuted to completion); provided further that in the event that the Tax Credit Investor cures such default by removing and replacing the general partner of Lessee, the Tax Credit Investor shall use commercially reasonable efforts to prosecute the cure during the pendency of the replacement of the general partner. Notwithstanding the foregoing, the cure periods of a Leasehold Mortgagee and the Tax Credit Investor described in this Section shall be tolled in the event that any bankruptcy or other legal proceeding prevents a Leasehold Mortgagee or the Tax Credit Investor from acting to cure such default during the pendency of such bankruptcy or other legal proceeding, but only (i) if the Leasehold Mortgagee or the Tax Credit Investor has made reasonable effort to cure any such default prior to such bankruptcy, and (ii) did not file the bankruptcy or other legal proceedings. No notice or demand given to Lessee under this Lease shall be effective until and unless a copy of such notice is given to each Leasehold Mortgagee and the Tax Credit Investor. Any notices of default shall describe the default(s) with reasonable detail. Lessor agrees to accept performance by a Leasehold Mortgagee or the Tax Credit Investor of any cures, conditions and covenants as though performed by Lessee, and agrees to permit a Leasehold Mortgagee or the Tax Credit Investor to take all such actions and may be necessary or useful to perform any condition or covenants of this Lease or to cure any default of Lessee. Prior to the expiration of the cure rights of a Leasehold Mortgagee or the Tax Credit Investor hereunder, the Lessor shall not affect or cause any purported termination of this Lease nor take any action to deny Lessee or any subtenant possession, occupancy, or quiet enjoyment of the Improvements or any part thereof.
- 2. If the Lessee default is such that possession of the Property is reasonably necessary to remedy the default, Leasehold Mortgagee shall have a reasonable time, not to exceed one-hundred twenty (120) calendar days (unless VA, by prior written consent in its sole discretion, approves a

longer period), after the expiration of such initial sixty (60) calendar day cure period within which to remedy such default; provided that: (a) the Leasehold Mortgagee shall have acquired Lessee's leasehold estate created hereby or commenced foreclosure proceedings, an action for the appointment of a receiver, or other appropriate proceedings in the nature thereof within such sixty (60) calendar day period or prior thereto, and shall be diligently and continuously prosecuting any such proceedings to completion; (b) notwithstanding anything in this Lease to the contrary, the Leasehold Mortgagee shall have fully cured any uncured default in the payment of any monetary obligations of Lessee under this Lease within such sixty (60) calendar day period and thereafter shall continue to faithfully perform all such monetary obligations that do not require possession of the Property; and (c) after gaining possession of the Property, the Leasehold Mortgagee or the receiver, as the case may be, shall perform all of the covenants of Lessee reasonably capable of performance by the Leasehold Mortgagee or the receiver during the period of foreclosure or receivership, as the case may be, as and when the same are due, and shall immediately proceed with all due diligence either to assign the Property or enter into a Replacement Lease with VA for the Property, as described in Article 20.F.2 below.

- 3. If the Leasehold Mortgagee or the Tax Credit Investor establishes to VA's satisfaction that a Lessee default is personal in nature or otherwise is not susceptible of cure by the Leasehold Mortgagee or the Tax Credit Investor (on behalf of the Lessee), then, provided the Leasehold Mortgagee fully complies with and meets all requirements of clauses (a) through (c) of Section E.2 above, or Tax Credit Investor removes and replaces the general partner of Lessee in connection with Section E.1 above, then in both instances the default shall be deemed remedied.
- 4. Mortgagee Not Required to Cure. Nothing in this Section E, shall be construed to obligate any Leasehold Mortgagee to remedy any default of Lessee, and any failure of any Leasehold Mortgagee to complete any such cure after commencing the same shall not give rise to any liability of any Leasehold Mortgagee to the Lessor or Lessee. In no event shall any Leasehold Mortgagee be required to (a) cure any Event of Default which is personal to Lessee or which is not otherwise reasonably susceptible of cure by such Leasehold Mortgagee (and all such defaults shall automatically be deemed cured upon completion by such Leasehold Mortgagee of a foreclosure under its Leasehold Mortgage (or upon its acceptance of a deed in lieu of foreclosure)) or (b) cure any Excluded Defaults.
- 5. Notwithstanding anything in this Lease to the contrary except for the provisions of Article 20.F.2 below and Lessee's obligation to inform VA of each Leasehold Mortgagee pursuant to Article 20.B.2 above, should the Leasehold Mortgagee(s) or the Tax Credit Investor (on behalf of the Lessee) fail to remedy an uncured Lessee default pursuant to and within the applicable time period specified in this Section E, the Department shall immediately thereafter be permitted to terminate the Lease by issuing written notice thereof to the Lessee and each Leasehold Mortgagee identified per Article 20.B.2 of this Lease and the Tax Credit Investor.

F. Foreclosure of Leasehold Mortgage:

1. Subject to Article 20.B.2, and pursuant to and in conjunction with an assignment or foreclosure under this Article (for purposes of this Lease a foreclosure shall include assignments of Lessee's interests related to the Lease and the Property in lieu of foreclosure), the Leasehold

Mortgagee may exercise the right to foreclose or accept a deed in lieu of foreclosure on Lessee's interest in the leasehold estate and after any such foreclosure or acceptance of a deed in lieu of foreclosure the Leasehold Mortgagee and its successors and assigns may assign or sell the leasehold estate subject to and consistent with Subparagraphs (a) through (d) below, provided that the Leasehold Mortgagee or assignee provides the Department with not less than thirty (30) calendar days advance notice or the maximum period of advance notice allowed under applicable law of any such assignment or sale, and based upon its review determines that the Successor to the Property is a "responsible" party. Factors to be considered by the Leasehold Mortgagee or assignee in making this responsibility determination shall include, but are not limited to:

- (a) the Leasehold Mortgagee's receipt of a written certification ("Certification") from the Successor (which the Leasehold Mortgagee shall copy and forward to the Department not less than five (5) business days before such assignment or sale) confirming that the Successor: (1) expressly agrees to at all times use the Property in accordance with the terms and conditions of the Lease; (2) expressly agrees to observe and perform all of the Lessee covenants and comply with the terms and conditions contained in the Lease, (3) expressly agrees and understands that the proposed assignment or sale is subject to the rights, title and interests of the United States and VA under the Lease; (4) is not, and to the best of its knowledge any of its principals are not, presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency and have not, within a three (3) year period preceding the date of certification, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a Federal, state or local government contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, tax evasion, or receiving stolen property; and are not presently indicted for, or otherwise criminally or civilly charged by a Government entity with commission of any of these offenses; and (5) does not pose a safety or security risk as determined by the Secretary of State, including but not limited to any person who either represents a country that, or is a member of or provides political, financial, or military support to a group that is listed in the most current "Patterns of Global Terrorism" report, issued by the Secretary of State in compliance with 22 U.S.C. 2656f(a), available from the Superintendent of Documents, U.S. Printing Washington 20402 Government Office, D.C. and also available http://www.state.gov/j/ct/rls/crt/;
- (b) the Leasehold Mortgagee's determination that the Successor has at least three (3) years of prior relevant experience successfully operating and maintaining projects similar to that of the Project provided however this requirement shall not apply if the Leasehold Mortgagee is a government or public agency;
- (c) the Leasehold Mortgagee's determination that the Successor has an adequate financial history and profile (net worth, cash flow, and credit support) to successfully meet the financial commitments of the Project and the Lease's terms and conditions provided however this requirement shall not apply if the Leasehold Mortgagee is a government or public agency; and
- (d) the Leasehold Mortgagee's providing of a written certification to VA within five (5) business days before such assignment or sale confirming that the Successor is a Qualified Party.

- 2. Within thirty (30) calendar days after any foreclosure of this Lease or acceptance of a deed in lieu of foreclosure by reason of any uncured event of default by the Lessee hereunder or under such Leasehold Mortgage (including, if permissible given applicable Federal, State, and local laws, regulations, and proceedings, any termination of this Lease in connection with any bankruptcy or similar proceeding), VA agrees to amend this Lease or execute a Replacement Lease upon the same terms and conditions hereof ("Replacement Lease") with a Successor who requests such Replacement Lease and complies with the provisions of this Paragraph 2, including subparagraphs "a" through "b" immediately below. Should two or more Leasehold Mortgagees request to enter into a Replacement Lease pursuant to this Paragraph, the most senior Leasehold Mortgagee in possession will have the first right to enter into the Replacement Lease with the Department. VA acknowledges that any covenants, conditions, or restrictions recorded in connection with this Lease shall remain of record with respect to the Replacement Lease unless such covenants, conditions, or restrictions are terminated as a result of a foreclosure.
- (a) The Replacement Lease shall be for the remaining Term effective as of the effective date of the termination of this Lease, but with the same right of extension as provided in the Lease, and at the same rent, and additional rent or consideration, if any, and upon the same terms, covenants and conditions (including all options to renew but excluding such terms, covenants and conditions that shall have already been fulfilled) of this Lease.
- (b) In the event that the Successor enters into the Replacement Lease, the Successor shall pay or cause to be paid to the Department any and all sums which at the time of execution and delivery thereof are due it under this Lease and in addition, all reasonable expenses, including reasonable attorneys' fees which the Department shall have incurred by reason of the actual or deemed termination of this Lease and the preparation, execution and delivery of the Replacement Lease.
- G. Any loan document and security instrument used to establish a security interest in the leasehold that does not include (or incorporate by reference without modification) the foregoing provisions recited in this Article shall constitute an event of default by Lessee.
- H. Preliminary Identification of Leasehold Mortgagees:
- 1. Subject to their entering into loan agreements with Lessee and recordation in the real estate records for the Property of their respective Leasehold Mortgages the VA recognizes the following as Leasehold Mortgagees under this Lease:
 - (a) Wells Fargo Affordable Housing Community Development Corporation
 - (b) Los Angeles County Development Authority
 - (c) City of Los Angeles acting through its Housing and Community Investment Department
- 2. The Leasehold Mortgagees may record separate Leasehold Mortgagees to correspond to separate loan funding sources.
- 3. The Leasehold Mortgagees may record regulatory agreements or covenants, conditions, and restrictions containing affordable housing restrictions with regard to the Property so long as any such agreements or covenants, conditions, and restrictions are expressly subject to the Lease.

Further affordable housing restrictions may be contained in covenants issued by government agencies in connection with the building and housing permits and other land use entitlement rights obtained by Lessee for the Property. Such Leasehold Mortgagee and government agency affordable housing covenants as amended, restated or otherwise changed in the future are collectively referred to as the "Affordable Housing Regulatory Agreements." To avoid conflicts between the affordable housing restrictions in this Lease and the affordable housing restrictions contained in the Affordable Housing Regulatory Agreements, VA and Lessee agree that Lessee shall comply with the affordable housing restrictions which impose the greatest restrictions, and Lessee shall not be in default of its obligations under this Lease if Lessee follows the more restrictive affordable housing restrictions, provided that Lessee ensures that, in accordance with The West Los Angeles Leasing Act of 2016, operation of the Facility principally benefits Veterans and their families, as that term is defined in therein; and that operation of the Facility is consistent with the "Operation and Maintenance Plan" (attached as Exhibit "E") and the "Tenant Selection Plan" (attached as Exhibit "F").

ARTICLE 21 - TAXES

- A. The Department's interest in this Lease, and the United States' fee interest in the Property shall not be subject, directly or indirectly, to any State or local laws relative to taxation, fees, assessment(s) or special assessments.
- B. In addition, Lessee shall pay and discharge, at least ten (10) calendar days prior to delinquency, all taxes, general and special assessments, charges, and fees of every description that during the Term may be levied or assessed against the Property and all interests therein, whether belonging to the Department or Lessee, or to which either of them may become liable in relation thereto prior to the delinquency date thereof. Lessee agrees to protect and hold harmless the Department and the Property and all improvements in, on, or about the same from all liability for any and all such taxes, assessments, charges, and fees, together with any interest, penalties, or other sums thereby imposed, and from any sale or other proceeding to enforce payment thereof. During the Term and at its sole cost and if the Department so requests, Lessee shall cause all taxes, assessments, charges, and fees levied or imposed upon any personal property situated in, on, or about the Property to be taxed or assessed separately from the Property and not as a lien thereon.
- C. It is understood that it is the intent of the Parties that this be an absolute net Lease, and that the Department shall not be obligated to pay any charges, impositions, or assessments directly or indirectly made against the Property during the term hereof.
- D. In the event that Lessee is not required to make deposits on account of real estate taxes with the holder of any mortgage permitted by Article 20 of the Lease, and in the event that Lessee fails at any time during the Term to pay real estate taxes when due, then the Department shall have the right upon written notice to the Lessee, to require that Lessee deposit negotiable securities or other collateral to guarantee the payment of such taxes, so that there shall be sufficient sums available to pay same at least thirty (30) calendar days prior to the due date of such taxes.

ARTICLE 22 - EVENTS OF DEFAULT BY LESSEE

- A. Each of the following actions or omissions by Lessee shall be considered an event of default by Lessee:
- 1. Lessee fails to use its leasehold interest obtained pursuant to this Lease and the Property in a manner consistent with Article 7, and such failure remains uncured following ninety (90) calendar days written notice from the Department.
- 2. Commencement of Construction has not begun within one hundred twenty (120) calendar days after the Effective Date. Such date may be extended by events of Force Majeure or by mutual written agreement of the Lessee and DVR.
- 3. The Facility and related Improvements are not substantially completed within 730 calendar days after the Effective Date, in a good and workmanlike manner and pursuant to the Development Plan referenced in Article 10.A. Such date may be extended by events of Force Majeure or by mutual written agreement of the Lessee and DVR.
- 4. Lessee fails to pay any monetary obligation due under the provisions of this Lease and such failure continues for a period of forty-five (45) calendar days after the Department gives written notice to Lessee that the same is due and payable.
- 5. Except for all other Lessee Events of Default expressly covered in the other Paragraphs of this Article 22, if Lessee (or any permitted assignee or transferee in accordance with Articles 19 and 20) fails to perform any non-monetary obligation, representation, consideration, covenant or condition, to be performed under this Lease, and such failure is not cured within a period of ninety (90) calendar days after Lessee's receipt of written notice from the Department describing the default, or if such default cannot reasonably be cured within ninety (90) calendar days (as determined by VA in its reasonable discretion), then the time within which Lessee may remedy such default shall be extended by VA for such period time, not to exceed one hundred twenty (120) calendar days, as is reasonably necessary to complete a cure with continual due diligence).
- 6. The failure or refusal of Lessee to discharge any lien, claim, demand, or encumbrance, or to initiate appropriate action, to quiet any such claim within the time specified in Article 20.A, whether or not the Department exercises its right of discharge, or the failure or refusal of Lessee to make timely repayment to the Department of those sums expended to effectuate such discharge.
- 7. Lessee is (or becomes) insolvent or files a voluntary petition under any Federal or State Bankruptcy Code, or an involuntary case is filed hereunder against Lessee and the case is not dismissed within one hundred eighty (180) calendar days. The filing of a voluntary or involuntary petition in bankruptcy which is not dismissed within one hundred eighty (180) days of filing shall result in the automatic termination of the Lease.
- 8. Lessee fails to comply with Article 6.B.24 of this Lease and such failure is not cured within a period of thirty (30) calendar days after Lessee's receipt of written notice from the

Department describing the default, or if such default cannot reasonably be cured within thirty (30) calendar days (as determined by Lessor in its reasonable discretion), then the time within which Lessee may remedy such default shall be extended by VA for such period time, not to exceed sixty (60) calendar days, as is reasonably necessary to complete a cure with continual due diligence).

9. Notwithstanding any provision to the contrary contained in this Lease, and any cure or other rights of the Lessee or Leasehold Mortgagees, the Lessee acknowledges and agrees this Lease is fully contingent upon the Lessee obtaining, closing, and third party funding the Initial Financing to construct the Project on or before forty-five (45) calendar days from Effective Date of the Lease. If the Initial Financing is not obtained, closed, and funded within forty-five (45) calendar days from the Effective Date of the Lease (plus any additional time that VA may agree to in writing at its sole discretion), VA may, immediately terminate this Lease, by delivering to the Lessee, any Leasehold Mortgagees previously identified to VA in accordance with this Lease, with a written notice of VA's decision to immediately terminate the Lease. Upon VA's issuance of such notice, this Lease shall immediately terminate, and VA and the Lessee shall have no further obligations or liabilities to any party under this Lease.

ARTICLE 23 - REMEDIES FOR DEFAULT BY LESSEE

- A. Subject to Articles 20 and 25, upon the occurrence of an event of default by Lessee, the Department may exercise any right, remedy or privilege, which may be available to it under this Lease or under applicable local, State or Federal law. All remedies shall be cumulative and the election of one shall not preclude the exercise of another, at the same time or subsequently. Failure to exercise a remedy shall not constitute a waiver thereof. Lessee shall remain liable to the extent permitted by law with respect to all covenants and indemnities of this Lease. Additionally, upon default by Lessee of this Lease, and Lessee's failure to cure or to commence to cure, within any applicable cure period, the Department may, subject to and in accordance with Articles 15, 20, and 25, immediately seek to terminate this Lease and recover its damages. Upon the Department's successful termination of the Lease, Lessee shall be immediately required pursuant to Article 15, to surrender possession of the Property, together with all Improvements located thereon, to the Department, and cooperate fully and in good faith to effect an orderly and efficient transition of the Property.
- B. <u>No Termination for Convenience</u>. The Department shall have no right to unilaterally terminate this Lease for convenience.

ARTICLE 24 - EVENTS OF AND REMEDIES FOR DEFAULT BY THE DEPARTMENT

A. An event of default by the Department shall occur upon its failure to perform or observe any covenant or condition required by this Lease to be performed or observed, and such failure is not cured within ninety (90) calendar days after the Department's receipt of written notice thereof, provided that such cure period shall be extended by Lessee for an additional thirty (30) calendar days if such default cannot be reasonably cured within ninety (90) calendar days and the Department is diligently attempting to cure the default.

B. Upon default by the Department, and the Department's failure to cure or to commence to cure, within the applicable cure period, Lessee may immediately seek to terminate this Lease and recover its damages in accordance with Article 25 hereto, and/or may exercise any other right, remedy, or privilege that may be available to it under this Lease or applicable Federal, State, or local law.

ARTICLE 25 - DISPUTES

- A. Lessee and the Department acknowledge and agree that disputes under this Lease shall be resolved under the Contract Disputes Act of 1978 (41 U.S.C. Sec. 601-613) (the "Disputes Act"), and that both Lessee and the Department will utilize Alternative Dispute Resolution procedures on all matters appealed by Lessee to the VA Board of Contract Appeals (including its successor, the Civilian Board of Contract Appeals, effective January 6, 2007, and any successor authority thereto), to the extent permitted under the Disputes Act, unless the Parties then should otherwise agree.
- B. In the event that the Disputes Act is not available or permissible under applicable law to resolve a dispute under this Lease, Lessee and the Department shall, to the extent permitted by applicable law and regulation, resolve the dispute by arbitration. In that regard, the arbitration shall take place in Washington, D.C. unless the Department and Lessee otherwise agree in writing.
- C. <u>Interest Payable</u>. Regardless of whether the dispute is resolved under the Disputes Act or otherwise, if the claim is resolved in favor of Lessee the Department shall pay interest in accordance with the Prompt Payment Act, 31 U.S.C. Section 3901, et seq.
- D. Unless and until the Department otherwise agrees in writing, Lessee shall proceed diligently with performance of this Lease pending final resolution of any request for relief, claim, appeal or action arising under or relating to the Lease.

ARTICLE 26 - LEASE SUBJECT TO GENERAL PROVISIONS

This Lease and Lessee's occupancy of this Property shall be subject to the terms and conditions of the General Provisions attached hereto and by the reference made part of this Lease.

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THE UNITED STATES DEPARTMENT OF VETERANS AFFAIRS Enhanced-Use Lessor

Jon J. Rychalski

Digitally signed by Jon J. Rychalski 1367389

By: 1367389

Date: 2020.10.29 10:30:23 -04'00'

Name: Jon J. Rychalski

Title: Assistant Secretary for Management and Chief Financial Officer

[General Provisions to follow]

IN WITNESS WHEREOF, the Parties hereto have hereunto subscribed their names as of the date first above written.

Enhanced-Use Lessee

VA BUILDING 207 LP, a California limited partnership

By: VA Building 207 LLC, a California limited liability company, its administrative general partner

(b) (6)

Name: kenee Groves

Title: Chief Financial Officer

By: Housing Corporation of America, a Utah nonprofit corporation, its managing general partner

 $_{\text{\tiny By:}}$ (b) (6)

Name: Carol Cromar Title: President

By: West Los Angeles Veterans Collective LLC, California limited liability company, its co-general partner

(b) (6)

Name: pence Groves
Title: Secretary

GENERAL PROVISIONS

ARTICLE 27 - ASSIGNMENT OF CLAIMS

- A. Lessee, under the Assignment of Claims Act, as amended, 31 U.S.C. § 3727, 41 U.S.C. § 15, 48 C.F.R. § 32.800, and all applicable regulations promulgated thereunder (hereafter referred to as "the Act"), may assign its rights to be paid amounts due or to become due as a result of the performance of this Lease in accordance with the Act.
- B. Any assignment or reassignment authorized under the Act and this Article shall cover all unpaid amounts payable under this Lease and shall not be made to more than one party, except that an assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in the financing of this Lease.

ARTICLE 28 - EQUAL OPPORTUNITY CLAUSE

- A. If, during any twelve (12) month period (including the twelve (12) months preceding the award of this Lease), Lessee has been or is awarded nonexempt Federal contracts and/or subcontracts that have an aggregate value in excess of \$10,000, Lessee shall comply with subparagraphs B(1) through (8) below. Upon request, Lessee shall provide information necessary to determine the applicability of this clause.
- B. During performance of this Lease, Lessee agrees as follows:
- 1. Lessee shall not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin.
- 2. Lessee shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, religion, sex or national origin. This shall include but not be limited to: (a) employment; (b) upgrading; (c) demotion; (d) transfer; (e) recruitment or recruitment advertising; (f) layoff or termination; (g) rates of pay or other forms of compensation; and (h) selection for training, including apprenticeship.
- 3. Lessee shall post in conspicuous places available to employees and applicants for employment the notices to be provided by the Secretary that explain this clause.
- 4. Lessee shall, in all solicitations or advertisement for employees placed by or on behalf of Lessee, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.
- 5. Lessee shall send, to each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, notice to be provided by the Secretary advising the labor union or workers' representative of Lessee's commitments under this clause and post copies of the notice in conspicuous places available to employees and applicants for employment.

- 6. Lessee shall comply with Executive Order 11246, as amended, and the rules, regulations and orders of the Secretary of Labor.
- 7. Lessee shall furnish to the Secretary all information required by Executive Order 11246, as amended, and by the rules, regulations and orders of the Secretary of Labor. Standard Form 100 (EEO-1), or any successor form, is the prescribed form to be filed within thirty (30) calendar days following the award, unless filed within twelve (12) months preceding the date of award.
- 8. Lessee shall permit access to its books, records and accounts by the contracting agency or the Office of Federal Contract Compliance Programs (OFCCP) for the purpose of investigation to ascertain Lessee's compliance with the applicable rules, regulations and orders.
- C. If the OFCCP determines that Lessee is not in compliance with this clause or any rule, regulation or order of the Secretary of Labor, this Lease may be canceled, terminated or suspended in whole or in part, and Lessee may be declared ineligible for further Department contracts, under the procedures authorized in Executive Order 11246, as amended, the rules regulations and orders of the Secretary of Labor, or as otherwise provided by law.
- D. Lessee shall include the terms and conditions of Section 28.B.1-8 in every subcontract or purchase order that is not exempted by the rules, regulations or orders of the Secretary of Labor issued under Executive Order 11246, as amended, so that these terms and conditions will be binding upon each subcontractor or vendor.
- E. Lessee shall take such actions with respect to any subcontract or purchase order as the Department may direct as a means of enforcing these terms and conditions, including sanctions for noncompliance; provided, that if Lessee becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of any direction, Lessee may request the Department to enter into the litigation to protect the interests of the United States.
- F. Notwithstanding any other clause in this Lease, disputes relative to this clause will be governed by the procedures in 41 CFR 60-1.

ARTICLE 29 - FACILITIES NONDISCRIMINATION

- A. <u>Facility Defined</u>. As used in this Article, the term "facility" means stores, shops, restaurants, cafeterias, restrooms and any other facility of a public nature in the building in which the space covered by this Lease is located.
- B. <u>Non-Discrimination by Lessee</u>. Lessee agrees that it will not discriminate by segregation or otherwise against any person or persons because of race, color, religion, sex or national origin in furnishing, or by refusing to furnish, to such person or persons the use of any facility, including any and all services, privileges, accommodations and activities provided thereby. Nothing herein shall require the furnishing to the general public of the use of any facility customarily furnished by Lessee solely to occupants, their employees, customers, patients, clients, guests and invitees.

- C. <u>Remedies for Non-Compliance</u>. It is agreed that upon Lessee's noncompliance, the Department may take appropriate action to enforce compliance, may terminate this Lease or may pursue such other remedies as may be provided by law.
- D. <u>Inclusion of Article In Other Contracts</u>. It is further agreed that from and after the date hereof Lessee will, at such time as any agreement is to be entered into or a concessions is to be permitted to operate, include or require the inclusion of the foregoing provisions of this Article in every such agreement or concession pursuant to which any person other than Lessee operates or has the right to operate any facility. Nothing herein contained, however, shall be deemed to require Lessee to include or require the inclusion of the foregoing provisions of this Article in any existing agreement or concession arrangement or one in which the leasing party other than Lessee has the unilateral right to renew or extend the agreement or arrangement, until the expiration of the existing agreement or arrangement and unilateral right to renew or extend. Lessee also agrees that it will take any and all lawful actions as expeditiously as possible, with respect to any such agreement as the Department may direct, as a means of enforcing the intent of this Article, including but not limited to termination of the agreement or concession and institution of court action.

ARTICLE 30 - GRATUITIES

- A. The rights of Lessee under this Lease may be terminated by written notice if, after notice and a hearing, the Secretary determines that Lessee, its agent or another representative:
- 1. Offered or gave a gratuity (e.g., an entertainment or gift) to an officer, official or employee of the Department; and
 - 2. Intended, by the gratuity, to obtain a contract or favorable treatment under a contract.

The facts supporting this determination may be reviewed by any court having lawful jurisdiction.

B. If this Lease is terminated under Article 30.A above, the Department is entitled to pursue the same remedies as in a breach of this Lease. The rights and remedies of the Department provided in this Section 30.B shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Lease.

ARTICLE 31 - COVENANT AGAINST CONTINGENT FEES

- A. Lessee warrants that no person or selling agency has been employed or retained to solicit or secure this Lease upon an agreement or understanding, for a commission, percentage, brokerage or contingent fee, excepting bona fide employees or bona fide agency as defined in 48 C.F.R. § 3.401. For breach or violation of this warranty, the Department shall have the right to cancel this Lease without liability or, in its discretion, to deduct from the rental or consideration or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee.
- 1. "Contingent fee," as used in this clause, means any commission, percentage, brokerage or other fee that is contingent upon the success that a person or concern has in securing a Department contract.

ARTICLE 32 - EXAMINATION OF RECORDS BY COMPTROLLER GENERAL

A. Rights of the Comptroller General and Its Authorized Representatives

- 1. The Comptroller General of the United States or a duly authorized representative from the Government Accountability Office shall, until three (3) years after final payment under this Lease, have access to and the right to examine any of Lessee's directly pertinent books, documents, papers or other records involving transactions related to this Lease, provided that such records are then in existence. This paragraph may not be construed to require Lessee or its subcontractors to create or maintain any record that the Lessee or subcontractor does not maintain in the ordinary course of business or pursuant to a provision of law.
- 2. Lessee agrees to include in its first-tier subcontracts regarding the Project a clause to the effect that the Comptroller General or a duly authorized representative from the Government Accountability Office shall, until three (3) years after final payment under the subcontract, have access to and the right to examine any of the subcontractor's existing directly pertinent books, documents, papers or other records involving transactions related to the subcontract. "Subcontract," as used in this clause, excludes: (a) purchase orders not exceeding \$100,000; and (b) subcontracts or purchase orders for public utility services at rates established to apply uniformly to the public, plus any applicable reasonable connection charge.
- 3. The periods of access and examination in Paragraphs 1 and 2 above for records relating to: (a) appeals under the Disputes clause, (b) litigation or settlement of claims arising from the performance of this Lease, or (c) costs and expenses of this Lease to which the Comptroller General or a duly authorized representative from the Government Accountability Office has taken exception, shall continue until such appeals, litigation, claims or exceptions are disposed of.

B. Rights of the Department of Veterans Affairs

- 1. Upon receipt of a written request from the Department, Lessee shall grant to the Department access to Lessee's pertinent books, documents, papers or other records involving transactions directly related to this Lease (collectively "Business Documents") for purposes of examination and audit. Such access by the Department for purposes of examination and audit shall be limited to Business Documents dated within three (3) years prior to the date of Lessee's receipt of the Department's written request. The Department shall control and safeguard all information obtained during such examination and audit in accordance with the Freedom of Information Act, 5 U.S.C. Section 552 and the Privacy Act, 5 U.S.C. Section 552a. Lessee shall grant all other access for examination and audit to pertinent Lessee or sublessee Business Documents in accordance with applicable law.
- 2. Lessee agrees to include in any subleases under this Lease a clause to the effect that the Department shall have access to and the right to examine any of the sublessee's Business Documents to the same extent as provided in Paragraph 1 of this Article with respect to Lessee.
- 3. The right of the Department to examine Lessee's Business Documents shall be limited to the following matters in which VA is a party or has an interest hereunder: (a) payment, performance, and/or provision of the monetary and/or in-kind consideration, as applicable, which

is to be provided to, on behalf of, or for the benefit of, the Department, and/or claims or disputes under the "Disputes" clause of this Lease; (b) litigation or settlement of claims or disputes arising from the performance of this Lease in which VA is a party, or (c) costs and expenses of this Lease to which the Comptroller General or a duly authorized representative of the General Accounting Office has taken exception, and shall continue until such appeals, litigation, claims or exceptions are disposed of.

4. The Parties understand and agree that nothing in this Section B is intended or may be construed as a qualification, waiver, bar, limitation or restriction of any nature, kind, or effect on the legal authority otherwise granted the United States or any agency thereof to access, examine, review, copy, or seize such books, documents, papers or other records.

ARTICLE 33 - LABOR PROVISIONS

Unless the Lessee can demonstrate to the satisfaction of the Department that the Lease or the Project is exempt therefrom, Lessee shall comply with the requirements of the Davis-Bacon Act, as amended, 40 U.S.C. Section 3141, et seq. and the relevant rules, regulations and orders of the Secretary of Labor applicable thereto.

ARTICLE 34 - HAZARDOUS SUBSTANCES

- A. Presence and Use of Hazardous Substances. Lessee shall not, without the Department's prior written consent, keep on or around the Property, for use, disposal, treatment, generation, storage, or sale, any substance designated as, or containing components designated as, hazardous, dangerous, toxic, or harmful under Federal, state or local law (hereafter collectively referred to as "Hazardous Substances"), and/or that is subject to regulation, by Federal, state or local law, regulation statute or ordinance except as may be customary in projects similar to the Property and in compliance with all applicable laws. With respect to any such Hazardous Substance, Lessee shall:
- 1. Comply promptly, timely, and completely with all governmental requirements for reporting, keeping, and submitting manifests, and obtaining and keeping current identification numbers with respect to any Hazardous Substances first brought upon the Property from and after the date hereof;
- 2. Submit to the Department true and correct copies of all reports, manifests, and identification numbers with respect to any Hazardous Substances first brought upon the Property from and after the date hereof at the same time as they are required to be and/or are submitted to the appropriate governmental authorities;
- 3. Within sixty (60) calendar days of the Department's request, submit written reports to the Department regarding Lessee's use, storage, treatment, transportation, generation, disposal, or sale of Hazardous Substances first brought upon the Property from and after the date hereof and provide evidence satisfactory to the Department of Lessee's compliance with the applicable

governmental regulations with respect to any Hazardous Substances first brought upon the Property from and after the date hereof;

- 4. Allow the Department or the Department's agent or representative to come on the Property at all reasonable times with reasonable prior notice to check Lessee's compliance with all applicable governmental regulations regarding Hazardous Substances for which Lessee is responsible under the terms of this Lease;
- 5. Comply with minimum levels, standards or other performance standards or requirements that may be set forth or established for certain Hazardous Substances (if minimum standards or levels are applicable to Hazardous Substances present on the Property, such levels or standards shall be established by an on-site inspection by the appropriate governmental authorities and shall be set forth in an addendum to this Lease);
- 6. Comply with all applicable governmental rules, regulations, and requirements regarding the proper and lawful use, sale, transportation, generation, treatment, and disposal of Hazardous Substances; and
- 7. The Department shall have the right upon reasonable prior written notice and at reasonable times to enter upon the Property in order to inspect or monitor same if the Department has a reasonable belief that Hazardous Substances are present on the Property in violation of applicable law. If such inspection or monitoring by the Department confirms that Hazardous Substances are present and are in violation of applicable law, any and all reasonable costs incurred by the Department and associated with the Department's inspection of the Property and the Department's monitoring of Lessee's compliance with this Article, including the Department's reasonable attorney's fees and costs, shall be additional rent and shall be due and payable to the Department immediately upon demand by the Department.
- Cleanup Costs, Default, and Indemnification. During the Lease term, Lessee shall be fully and completely liable to the Department for any and all cleanup costs, and any and all other charges, fees, and penalties (civil and criminal) imposed upon the Department by any governmental authority with respect to any use(s) of the Property after the Effective Date of this Lease related to disposal, transportation, generation, and/or sale of Hazardous Substances; provided, that liability and obligation by Lessee shall apply only to Hazardous Substances first brought upon the Property from and after the date hereof; provided, however, Lessee shall have no liability for any Hazardous Substances which are located on the Property outside the Improvements unless such Hazardous Substances are first brought to the Property after the Effective Date by Lessee, its agents, employees, subcontractors, or sublessees. Lessee shall indemnify, defend, and save the Department harmless from any and all of the costs, fees, penalties, and charges assessed against or imposed upon the Department (as well as the Department's reasonable attorney's fees and costs) as a result of Lessee's use, disposal, transportation, generation, and/or sale of Hazardous Substances at the Property as described herein. Upon Lessee's default under this Article and the expiration of the applicable notice and cure periods set forth in Article 22 above, in addition to the rights and remedies set forth elsewhere in this Lease, the Department shall be entitled to the following rights and remedies:
 - 1. At the Department's option, to terminate this Lease immediately; and/or

2. To recover any and all damages associated with the default, including, but not limited to cleanup costs and charges, civil and criminal penalties and fees, loss of business and sales by tenants of the Property, any and all damages and claims asserted by third parties and the Department's reasonable attorney's fees and costs.

ARTICLE 35 - MISCELLANEOUS PROVISIONS

- A. <u>Complete Agreement and Conflicts</u>. This Lease and the Exhibits hereto contain the entire agreement between the Parties with respect to the transactions contemplated by this Lease, and supersede all previous oral and written and all contemporaneous oral negotiations, commitments, writings and understandings. To the extent any wording or interpretation conflicts exist between the body of the Lease and its Exhibits, the Lease shall control.
- B. <u>Counterparts</u>. This Lease may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute but one and the same instrument.
- C. <u>Amendment; Waiver</u>. This Lease may not be amended or modified except in a writing signed by Lessee and the Department, nor may any rights hereunder be waived except by a writing signed by the party waiving such rights.
- D. <u>Article Headings</u>. The headings contained in this Lease are for reference purposes only and shall not affect in any way the meaning or interpretation of this Lease. When a provision, article, section or other provision of this Lease is referred to by number, the reference shall be deemed to be the correspondingly-numbered provision, article, section, or provision of this Lease unless another agreement, instrument or document is expressly identified, or unless the context otherwise clearly refers to another agreement, instrument or document.
- E. <u>Severability</u>. Any provision of this Lease which is invalid, illegal or unenforceable in any applicable jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability, without affecting in any way the remaining provisions hereof in such jurisdiction or rendering that or any other provision of this Lease invalid, illegal or unenforceable in any other jurisdiction.
- F. <u>Third Party Beneficiaries</u>. No Person, firm or corporation that is not a party to this Lease shall be entitled to rely on or be deemed to be accorded any rights under any provision of or statement in this Lease.
- G. <u>Governing Law</u>. This Lease shall be governed by and enforced in accordance with the laws of the United States and, to the extent such laws do not apply, then by the laws of the State of California without regard to its principles of conflicts of law.
- H. <u>Interpretation</u>. Whenever the context or circumstance so requires, the singular shall include the plural, the plural shall include the singular, the whole shall include any part thereof, and any gender shall include both genders. The Department and Lessee have negotiated this Lease, have had an opportunity to be advised by legal counsel respecting the provisions contained herein and have had the right to approve each and every provision hereof. Therefore, this Lease shall not be

construed against either the Department or Lessee as a result of the preparation of this Lease by or on behalf of either party.

- I. <u>Survival</u>. All monetary obligations (together with any late payment interest payable under the Prompt Payment Act -31 U.S.C. § 3901, et seq.) accruing before expiration of the Term shall survive the expiration or other termination of this Lease.
- J. No Merger. There shall be no merger of this Lease or the leasehold estate created by this Lease with any other estate or interest in the Property by reason of the fact that the same person or entity may acquire, hold or own directly or indirectly: (a) this Lease, the leasehold interest created by this Lease or any interest therein; and (b) any such other estate or interest in the Property, or any portion thereof. No merger shall occur unless and until all persons and entities having an interest (including a security interest) in this Lease or the leasehold estate created thereby and any such other estate or interest in the Property, or any portion thereof, shall join in a written instrument expressly effecting such merger and shall duly record the same.
- K. <u>Relationship of the Parties</u>. This Lease does not create the relationship of principal and agent, partnership, joint venture, association or any other relationship between the Department and Lessee.
- L. <u>Recording</u>. This Lease shall not be recorded. The Department and Lessee, however, shall execute the Memorandum of Lease attached hereto as Exhibit "G", and Lessee at its sole cost and expense is hereby permitted to record such memorandum in the official land records of County of Los Angeles (or other appropriate land recording office).
- M. <u>Signage</u>. No signage shall be installed or constructed on or over the Property except to the extent identified in a signage plan to be included as part of the Design Plan (Exhibit "C") or Development Plan (Exhibit "D") and approved by VA in accordance with Article 10, or otherwise approved by VA in writing. Such approvals shall not be unreasonably withheld, conditioned, or delayed.
- N. <u>Lease Supersedes</u>. This Lease supersedes any and all prior negotiations, agreements or understandings between the Department and Lessee related to the subject matter hereof. None of the provisions of this Lease may be altered or modified except through an instrument in writing signed by the Parties.
- O. <u>Force Majeure</u>. Neither of the Parties to this Lease, i.e., the Department nor Lessee, shall be required to perform any of its obligations under this Lease, nor be liable for loss or damage for failure to do so, with the exception of the obligation for payment of Rent or other sums due and owing under this Lease, where such failure arises from Force Majeure, but only to the extent and for the duration that the Department or Lessee, as the case may be, is so prevented from performing such obligations by Force Majeure. Further, and without limiting the generality of the foregoing, any period afforded to a party or within which a party is required under the terms and conditions of the Lease to perform an obligation of this Lease shall be extended by (1) the actual applicable period of Force Majeure; and (2) any period during which a party was prevented from performing any such obligation as a direct result of failure by the other party to commence or complete a

specific activity or activities that the Lease requires be commenced or completed as a condition precedent to such performance of such obligation.

- P. <u>Non-Recourse</u>. The Parties agree that VA's and Lessee's respective recourse against each other under this Lease shall be limited by and to the extent of applicable Federal, State, and local law.
- Q. Anti-Deficiency Act. Consistent with the Anti-Deficiency Act (codified as amended in 31 U.S.C. 1341, 1342, 1351, and 1517), any payments of VA with respect to this Lease shall not exceed appropriations available to VA which can be lawfully expended for such purposes at the time of the claim; and nothing in this Lease may be construed as implying that Congress will at a later date appropriate funds to meet any deficiencies.

R. Confidential Data.

- 1. Lessee hereby agrees that the creation, maintenance, use, disclosure, and disposal of any and all drawings, documents, records, data, and written information provided by VA to Lessee during the Term, if any, (collectively, the "VA Data"), shall be governed solely by all applicable Federal law, Executive Orders, and regulations. Lessee further agrees that the VA Data shall at all times constitute and remain the sole and absolute property of VA, and shall not be disclosed to any person (aside from the Lessee's permitted contractors and Leasehold Mortgagees under this Lease, if any, where necessary to perform the Lease) without the prior written authorization of VA. Furthermore, Lessee agrees to and shall immediately contact VA telephonically and in writing should any request be made by a third party (aside from Lessee's permitted contractors and subcontractors under this Lease) for copies of or to review or receive any VA Data in the Lessee's (and/or any of its contractors') possession and control. Under all circumstances, VA shall be responsible for and permitted to independently and unilaterally address any such requests as it deems appropriate. Lessee shall ensure that all agreements with its contractors (and any agreements such contractors may have with any subcontractors) incorporate this Clause (1) and make it applicable to such contractors and subcontractors.
- 2. VA hereby agrees that any drawings, documents, records, data, and written information provided by Lessee to VA during the Term, if any (collectively, the "Lessee Data"), shall be kept, maintained, and handled by VA as such according and subject to all applicable Federal law, Executive Orders, and regulations. Furthermore, VA agrees to and shall contact Lessee telephonically and in writing should any request be made by a third party outside of VA ("Third Party") for copies of or to review or receive any Lessee Data in VA's possession and control, unless such Third Party making the request is officially doing so on behalf of the Executive branch; the United States Congress; the General Accountability Office; the Federal Bureau of Investigations; the VA Office of Inspector General; or a Federal court.
- 3. The Parties hereby agree that the understandings and obligations set forth in this Section R shall control during and shall survive the Term, notwithstanding any contrary confidential obligations, statements, or representations that may be contained in VA Data or Lessee Data submitted, as applicable, by VA to Lessee or vice versa.
- S. Estoppel Certificates. Either the Department or Lessee, may request the other party to

execute, and deliver to the requesting party, an Estoppel Certificate certifying that this Lease is unmodified (or stating any modifications that are in existence) and in full force and effect, and that no default currently exists on the part of the non-requesting party (or specifying the nature of any default that does exist). A Leasehold Mortgagee shall have a right to the estoppel certificate described in ¶9(a) of the CTCAC Lease Rider Agreement attached hereto as Exhibit "H".

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EXHIBIT "A"

LEGAL DESCRIPTION

All that certain real property situated in the County of Los Angeles, State of California, described as follows:

PARCEL 1:

THOSE PORTIONS OF THE RANCHO SAN VICENTE Y SANTA MONICA SHOWN IN PATENTS BOOK 3, PAGES 30 AND 31, TOGETHER WITH THE RANCHO SAN VICENTE Y SANTA MONICA KNOW AS VILLA FARMS, SHOWN IN BOOK 70, PAGES 54 THROUGH 56, INCLUSIVE OF MISCELLANEOUS RECORDS, TOGETHER WITH THE SANTA MONICA LAND AND WATER COMPANY TRACT, SHOWN IN BOOK 78, PAGES 44 THROUGH 49, INCLUSIVE OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHERLY TERMINUS OF THAT PARTICULAR COURSE WITH A BEARING OF NORTH 35°23'45" WEST, A DISTANCE OF 1466.30 FEET, AS SHOWN ON THAT RECORD OF SURVEY RECORDED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AS BOOK 282, PAGES 19 THROUGH 23; THENCE NORTH 35°23'45" WEST ALONG SAID LINE, A DISTANCE OF 86.82 FEET; THENCE SOUTH 54°36'15" WEST, A DISTANCE OF 483.98 FEET TO THE TRUE POINT OF BEGINNING;

THENCE SOUTH 37°33'07" EAST, A DISTANCE OF 90.19 FEET; THENCE SOUTH 43°09'51" EAST, A DISTANCE OF 67.79 FEET, TO THE BEGINNING OF A TANGENT CURVE, CONCAVE WESTERLY, HAVING A RADIUS OF 42.00 FEET; THENCE SOUTHWESTERLY ALONG SAID CURVE, 80.30 FEET, THROUGH A CENTRAL ANGLE OF 109°32'53"; THENCE SOUTH 66°23'02" WEST, A DISTANCE OF 110.45 FEET, TO THE BEGINNING OF A TANGENT CURVE, CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 801.00 FEET; THENCE SOUTHWESTERLY ALONG SAID CURVE, 145.18 FEET, THROUGH A CENTRAL ANGLE OF 10°23'05"; THENCE SOUTH 76°46'08" WEST, A DISTANCE OF 49.80 FEET; THENCE NORTH 13°13'52" WEST, A DISTANCE OF 222.06 FEET; THENCE NORTH 74°11'25" EAST, A DISTANCE OF 119.09 FEET; THENCE NORTH 69°41'33" EAST, A DISTANCE OF 39.33 FEET; THENCE NORTH 66°59'00" EAST, A DISTANCE OF 36.90 FEET; THENCE NORTH 69°34'59" EAST, A DISTANCE OF 51.19 FEET, TO THE BEGINNING OF A TANGENT CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 15.00 FEET; THENCE SOUTHEASTERLY ALONG SAID CURVE, 19.08 FEET, THROUGH A CENTRAL ANGLE OF 72°51'54" TO THE TRUE POINT OF BEGINNING.

PARCEL 2:

A NON-EXCLUSIVE ACCESS RIGHT OF WAY ON, OVER, ACROSS AND THROUGH SUCH PAVED ROADS, INCLUDING, BUT NOT LIMITED TO "BONSALL AVENUE" AND "ARNOLD AVENUE" LOCATED WITHIN THE VA GREATER LOS ANGELES HEALTHCARE SYSTEM, WEST LA CAMPUS, LOS ANGELES, CALIFORNIA ("VAMC"), OR AS MAY BE NOW OR HEREAFTER LOCATED ON THE VAMC, FOR THE PURPOSE OF PROVIDING THE "LESSEE" UNDER THE ENHANCED-USE LEASE DATED OCTOBER 29, 2020 (AS ASSIGNED AND/OR AMENDED FROM TIME TO TIME), ITS SUCCESSORS AND ASSIGNS, AND ITS PERMITTEES WITH (I) VEHICULAR AND PEDESTRIAN INGRESS TO,

EGRESS FROM, AND ACCESS BETWEEN THE PROPERTY LEASED PURSUANT TO SAID ENHANCED-USE LEASE AND ADJACENT STREETS, ROADWAYS AND RIGHTS-OF-WAY WITHIN THE VAMC TO A POINT OF PUBLIC ACCESS OR A PUBLIC STREET, AND (II) FOR PASSAGE, CONSTRUCTION, INSTALLATION, MAINTENANCE, REPAIR, REPLACEMENT AND USE OF UTILITY LINES, PIPES, WIRES, CONDUITS, FLUES, DUCTS, LINES AND OTHER EQUIPMENT INCLUDING WITHOUT LIMITATION, ELECTRICITY, GAS, WATER, COMMUNICATIONS, SEWER AND STORM DRAINAGE FROM THE SURROUNDING PUBLIC THOROUGHFARES TO THE PROPERTY LEASED PURSUANT TO SAID ENHANCED-USE LEASE AND TO A POINT OF PUBLIC ACCESS OR A PUBLIC STREET.

EXHIBIT "B"

SITE PLAN

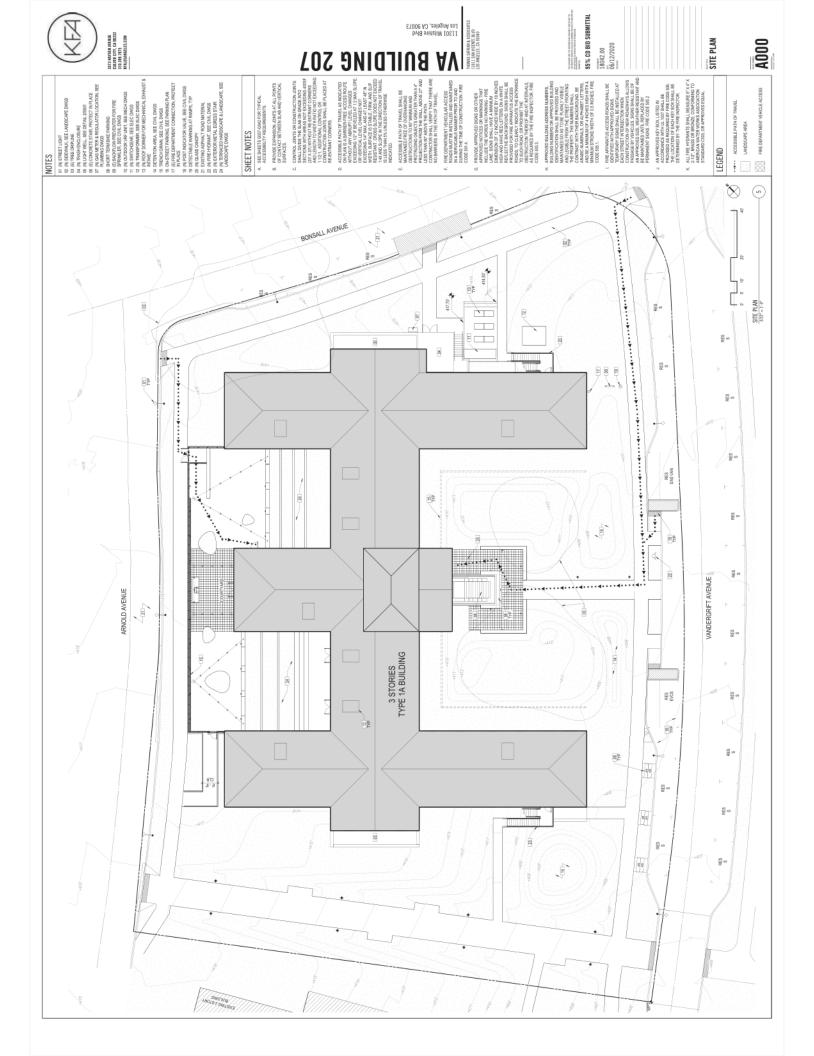


EXHIBIT "C"

DESIGN PLAN



\Box

THOMAS SAFRAN & ASSOCIATES 11811 SAN VICENTE BLVD LOS ANGELES, CA 90049

TE001 TELECOMMUNICATION COVER SHEET

TE003 TELECOMMUNICATION DETAILS

TE100 TELECOMMUNICATION SITE PLAN

TE110 TELECOM PLAN FIRST FLOOR TE120 TELECOM PLAN SECOND FLOOR

TE130 TELECOM PLAN THIRD FLOOR

EFA001 FIRE ALARM COVER SHEET

EFA110 FIRE ALARM PLAN FIRST FLOOR EFA120 FIRE ALARM PLAN SECOND FLOOR

EFA130 FIRE ALARM PLAN THIRD FLOOR

EFA002 FIRE ALARM DETAILS

EFA003 FIRE ALARM DETAILS

DETAILS

FIRE ALARM

TE002 TELECOMMUNICATION SCHEDULES AND

TE010 TELECOMMUNICATION RISER DIAGRAM

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95% CD BID SUBMITTAL

18042.00

06/12/2020

COVER SHEET



GENERAL		DEMO (CONTINUED)			
G000	COVER SHEET	D200	DEMO ELEVATIONS		
G010	PROJECT INFORMATION	D201	DEMO ELEVATIONS		
G011	HISTORIC NOTES	520.			
G020	FAR CALCULATIONS	ARCHI	TECTURE		
G021	OPEN SPACE CALCULATIONS	A000	SITE PLAN		
G023	OCCUPANCY LOAD / EXITING DIAGRAMS	A000 A100	PARKING PLAN		
G024	FIRE ACCESS DIAGRAM & NOTES	A100	FIRST FLOOR PLAN		
G030	GENERAL NOTES	A110	SECOND FLOOR PLAN		
G031	GENERAL NOTES	A120	THIRD FLOOR PLAN		
G032	ACCESSIBILITY NOTES	A130	ROOF ANNEX FLOOR PLAN		
G037	TYPICAL DAS DETAILS (CBC 11A)	A170	ROOF PLAN		
G038	TYPICAL DAS DETAILS (CBC 11A)	A200	ELEVATIONS		
G039	TYPICAL DAS DETAILS (CBC 11A)	A200	ELEVATIONS		
G040	TYPICAL DAS DETAILS (CBC 11B)	A300	BUILDING SECTIONS		
G041	TYPICAL DAS DETAILS (CBC 11B)	A300	BUILDING SECTIONS		
G042	TYPICAL DAS DETAILS (CBC 11B)	A301 A400	WALL SECTIONS		
G050	GREEN NOTES	A400 A401	WALL SECTIONS		
G051	GREEN NOTES	A401 A402	WALL SECTIONS - TRASH ENCLOSURE		
G060	SOILS REPORT BEST MANAGEMENT PRACTICES	A500	VERTICAL CIRCULATION - (E) STAIR 1 & 2		
G061	GREENPOINT RATED SCORESHEET	A500 A501	VERTICAL CIRCULATION - (E) STAIR 1 & 2 VERTICAL CIRCULATION - STAIR 3 & 4		
G062	TSA DESIGN STANDARDS	A501 A502	VERTICAL CIRCULATION - STAIR 5 & 4 VERTICAL CIRCULATION - STAIR 5-7		
G080	SURVEY	A502 A503			
0000		A600	VERTICAL CIRCULATION - ELEVATOR ENLARGED UNIT PLANS		
CIVIL			ENLARGED UNIT PLANS ENLARGED UNIT PLANS		
C0.00	CENERAL NOTES	A601 A602	ENLARGED UNIT PLANS ENLARGED UNIT PLANS		
C0.00	GENERAL NOTES GENERAL NOTES	A602 A603	ENLARGED UNIT PLANS ENLARGED UNIT PLANS		
C1.10	TEMPORARY EROSION AND SEDIMENT	A603	ENLARGED UNIT PLANS ENLARGED UNIT PLANS		
C1.10	CONTROL NOTES	A605	ENLARGED UNIT PLANS ENLARGED UNIT PLANS		
C1.11	TEMPORARY EROSION AND SEDIMENT	A605 A606	ENLARGED UNIT PLANS ENLARGED UNIT PLANS		
01.11	CONTROL PLAN	A607	ENLARGED UNIT PLANS ENLARGED UNIT PLANS		
C1.20	DEMOLITION PLAN	A607 A608	ENLARGED UNIT FLANS ENLARGED UNIT KITCHEN TYPES		
C1.21	DEMOLITION PLAN	A609	ENLARGED UNIT KITCHEN TYPES		
C1.30	GRADING PLAN	A610	ENLARGED UNIT KITCHEN TYPES ENLARGED UNIT KITCHEN TYPES		
C1.31	GRADING PLAN	A611	ENLARGED UNIT BATHROOM TYPES		
C1.40	DRAINAGE PLAN	A612	ENLARGED UNIT BATHROOM TYPES		
C1.41	DRAINAGE PLAN	A613	ENLARGED UNIT BATHROOM TYPES		
C1.50	LID PLAN	A614	ENLARGED UNIT BATHROOM TYPES		
C1.60	WATER AND SEWER PLAN	A620	ENLARGED COMMON RESTROOMS		
C2.00	DETAILS				
C2.10	DETAILS	A621 A622	ENLARGED COMMON LAUNDRY & KITCHEN ENLARGED COMMON AREAS		
C2.20	DETAILS	A623	ENLARGED COMMUNITY ROOM		
DEMO		A624	ENLARGED LOBBY		
DEMO		A700	FIRST FLOOR RCP		
D110	FIRST FLOOR DEMO PLAN	A701	SECOND FLOOR RCP		

A702 THIRD FLOOR RCP

A800 DOOR SCHEDULES

A801 WINDOW & STOREFRONT SCHEDULES

SECOND FLOOR DEMO PLAN

THIRD FLOOR DEMO PLAN

D140 ROOF ANNEX DEMO PLAN

ш	TECTORE (CONTINUED)	IVILOI	IAMICAL (COM HINGLD)
	SCHEDULES	M302	MECHANICAL - UNIT PLANS
	WALL TYPES	M303	MECHANICAL - UNIT PLANS
	SITE DETAILS	M304	MECHANICAL - UNIT PLANS
	ROOF DETAILS	M305	MECHANICAL - UNIT PLANS
	DOOR DETAILS	M601	MECHANICAL DETAILS
	WINDOW & STOREFRONT DETAILS	M602	MECHANICAL DETAILS
	VERTICAL CIRCULATION DETAILS	M603	MECHANICAL DETAILS
	INTERIOR DETAILS	M604	MECHANICAL DETAILS
	INTERIOR DETAILS	M605	MECHANICAL DETAILS
	INTERIOR NON-BEARING WALL DETAILS	M606	MECHANICAL DETAILS
	FIRESTOPPING DETAILS	M607	MECHANICAL DETAILS
		M608	MECHANICAL DETAILS
10	CTURAL	M701	CONTROL AND WIRING DIAGRAMS
)(M702	DAIKIN SYSTEM BRANCH SELECTOR
	STRUCTURAL SHEET INDEX		DIAGRAMS
	GENERAL NOTES GENERAL NOTES	M703	DAIKIN SYSTEM BRANCH SELECTOR DIAGRAMS
	TYPICAL REBAR AND FOUNDATIONS DETAILS	M704	
	TYPICAL CONCRETE WALL DETAILS	M705	
	TYPICAL CONCRETE MASONRY WALL DETAILS	M706	
	TYPICAL METAL STUD DETAILS		
	FIRST FLOOR/FOUNDATION PLAN		
	SECOND FLOOR FRAMING PLAN	PLUM	1BING
	THIRD FLOOR FRAMING PLAN	P001	PLUMBING GENERAL NOTES, LEGEN
	ROOF ANNEX FRAMING PLAN	1 00 1	SHEET INDEX

MECHANICAL - ROOF PLAN

MECHANICAL - UNIT PLANS

M301 MECHANICAL - UNIT PLANS

MECHANICAL - FIRST FLOOR PIPING PLAN

MECHANICAL - THIRD FLOOR PIPING PLAN

MECHANICAL - SECOND FLOOR PIPING PLAN

A990	FIRESTOPPING DETAILS	M607	MECHANICAL DETAILS
		M608	MECHANICAL DETAILS
STRI	UCTURAL	M701	CONTROL AND WIRING DIAGRAMS
S000	STRUCTURAL SHEET INDEX	M702	DAIKIN SYSTEM BRANCH SELECTOR PIPING DIAGRAMS
S001 S002	GENERAL NOTES GENERAL NOTES	M703	DAIKIN SYSTEM BRANCH SELECTOR PIPING DIAGRAMS
S010	TYPICAL REBAR AND FOUNDATIONS DETAILS	M704	DAIKIN SYSTEM WIRING DIAGRAMS
S020	TYPICAL CONCRETE WALL DETAILS	M705	DAIKIN SYSTEM WIRING DIAGRAMS
S030	TYPICAL CONCRETE MASONRY WALL DETAILS	M706	DAIKIN SYSTEM WIRING DIAGRAMS
S040	TYPICAL METAL STUD DETAILS		
S110	FIRST FLOOR/FOUNDATION PLAN		
S120	SECOND FLOOR FRAMING PLAN	PLUM	1BING
S130	THIRD FLOOR FRAMING PLAN	P001	PLUMBING GENERAL NOTES, LEGEND AND
S140	ROOF ANNEX FRAMING PLAN		SHEET INDEX
S310 S500	SHOTCRETE SHEAR WALL ELEVATIONS SECTIONS AND DETAILS	P002	PLUMBING FIXTURE SCHEDULES AND WATE CALCULATION
S501	PLANS, SECTIONS AND DETAILS	P003	PLUMBING EQUIPMENT AND MATERIAL
S502	MISCELLANEOUS SECTIONS AND DETAILS		SCHEDULES
S510	SECTIONS AND DETAILS	P100	PLUMBING - SITE PLAN
		P110-A	PLUMBING - FIRST FLOOR PLAN (UNDERGROUND PIPING)
MEC M001	CHANICAL GENERAL NOTES LEGEND AND SHEET INDEX	P110-B	PLUMBING - FIRST FLOOR PLAN (ABOVE GROUND PIPING)
M002	MECHANICAL EQUIPMENT SCHEDULES	P120	PLUMBING - SECOND FLOOR PLAN
M003	MECHANICAL EQUIPMENT SCHEDULES MECHANICAL EQUIPMENT SCHEDULES	P130	PLUMBING - THIRD FLOOR PLAN
M004	MECHANICAL EQUIPMENT SCHEDULES MECHANICAL EQUIPMENT SCHEDULES	P140	PLUMBING - ROOF PLAN
M005	MECHANICAL EQUIPMENT SCHEDULES	P300	PLUMBING UNIT PLANS
M006	ASHRAE 15 & 34 REFRIGERANT CALCULATION	P301	PLUMBING UNIT PLANS
M110	MECHANICAL - FIRST FLOOR PLAN	P302	PLUMBING UNIT PLANS
M120	MECHANICAL - SECOND FLOOR PLAN	P303	PLUMBING UNIT PLANS
M130	MECHANICAL - THIRD FLOOR PLAN	P304	PLUMBING UNIT PLANS
M140	MECHANICAL - ROOF PLAN	P305	PLUMBING UNIT PLANS
111110	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		

GAS RISER DIAGRAMS

STORM DRAIN RISER DIAGRAMS

COLD WATER RISER DIAGRAMS

COLD WATER RISER DIAGRAMS

COLD WATER RISER DIAGRAMS

	PLUN	MBING (CONTINUED)
	P506	COLD WATER RISER DIAGRAMS
	P507	HOT WATER RISER DIAGRAMS
	P508	HOT WATER RISER DIAGRAMS
	P509	HOT WATER RISER DIAGRAMS
	P510	HOT WATER RISER DIAGRAMS
	P511	WASTE AND VENT RISER DIAGRAMS
	P512	WASTE AND VENT RISER DIAGRAMS
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	P601	PLUMBING DETAILS
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i	P603	PLUMBING DETAILS
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i	P605	PLUMBING DETAILS
	P606	PLUMBING DETAILS
	P607	PLUMBING DETAILS
	P608	PLUMBING DETAILS
	P609	PLUMBING DETAILS
	P610	PLUMBING DETAILS
	P611	PLUMBING DETAILS
	P612	PLUMBING DETAILS
	P613	PLUMBING DETAILS
ER.	P614	PLUMBING DETAILS
:K		
	ELEC	CTRICAL
	E004	ELECTRICAL COVER CHEET

P611	PLUMBING DETAILS
P612	PLUMBING DETAILS
P613	PLUMBING DETAILS
P614	PLUMBING DETAILS
ELEC	TRICAL
E001	ELECTRICAL COVER SHEET
E002	ELECTRICAL NOTES
E003	ELECTRICAL SPECIFICATIONS
E003.1	ELECTRICAL SPECIFICATIONS
E003.2	ELECTRICAL SPECIFICATIONS
E004	INTERIOR TITLE 24
E004.1	INTERIOR TITLE 24
E004.2	INTERIOR TITLE 24
E004.3	INTERIOR TITLE 24
E004.4	ELECTRICAL SPECIFICATIONS
E005	LIGHTING CONTROLS
E006	LIGHTING FIXTURE SCHEDULE
E007	MECHANICAL EQUIPMENT SCHEDULE
E010	SINGLE LINE
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E020	PANEL SCHEDULES
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E025	UNIT LOAD CALCULATIONS

UNIT LOAD CALCULATIONS

E027 UNIT LOAD CALCULATIONS

E120	SECOND FLOOR ELECTRIC PLAN		ALLEE PAVERS
E130	THIRD FLOOR ELECTRIC PLAN	L900	DETAILS
E140	ATTIC ELECTRIC PLAN	L901	DETAILS
E600	ENLARGED UNIT ELECTRICAL PLANS	L902	DETAILS
E601	ENLARGED UNIT ELECTRICAL PLANS	L903	DETAILS
E602	ENLARGED UNIT ELECTRICAL PLANS	L904	DETAILS
E603	ENLARGED UNIT ELECTRICAL PLANS	L905	DETAILS
E604	ENLARGED UNIT ELECTRICAL PLANS	L906	DETAILS
E605	ENLARGED UNIT ELECTRICAL PLANS	L907	DETAILS
E606	ENLARGED UNIT ELECTRICAL PLANS	L908	DETAILS
E607	ENLARGED UNIT ELECTRICAL PLANS	L909	DETAILS
E620	FIRST FLOOR AMENITY ENLARGEMENT	L911	DETAILS
E621	SECOND FLOOR AMENITY ENLARGEMENT	L912	DETAILS
L021	OLOGINA PLOGICA INVESTITA ENERGINERA	L913	DETAILS
		L914	DETAILS
LAND9	SCAPE	L915	DETAILS
L000A	TITLE SHEET	L916	DETAILS
L000A	GENERAL NOTES AND ABBREVIATIONS	0=0	- I- I
L000B	AREA PLAN	SECU	RITY
L001	TREE PROTECTION AND REMOVAL PLAN	SEC001	SECURITY COVER SHEE
L100	MATERIALS PLAN	SEC002	SECURITY SYSTEM SEC
L100	MATERIALS PLAN		CONTROL DETAILS
L200	LAYOUT PLAN	SEC003	INTRUSION DETECTION
L200	LAYOUT PLAN	050004	AND DETAILS
L300	SOILS PLAN	SEC004	CCTV SYSTEM NOTES AI
L301	SOILS PLAN	SEC005	DISTRIBUTED ANTENNA NOTES AND DETAILS
L302	SOILS - SECTIONS	SEC006	DISTRIBUTED ANTENNA
L400	PLANTING PLAN	320000	SPECIFICATIONS
L401	PLANTING PLAN	SEC110	SECURITY PLAN FIRST F
L402	PLANTING SCHEDULE	SEC120	SECURITY PLAN SECON
L500	IRRIGATION PLAN	SEC130	SECURITY PLAN THIRD F
L500	IRRIGATION PLAN	323 100	

UNIT LOAD CALCULATIONS

OVERALL SITE PLAN

IRRIGATION NOTES

IRRIGATION NOTES

IRRIGATION DETAILS

IRRIGATION DETAILS

MATERIALS

LAYOUT

ENLARGEMENT PLAN - COURTYARD

ENLARGEMENT PLAN - COURTYARD

ENLARGEMENT PLAN - COURTYARD BBQ

ENLARGED ELECTRIC ROOMS

ENLARGED ELEVATOR ROOM

FIRST FLOOR ELECTRIC PLAN

L914	DETAILS
L915	DETAILS
L916	DETAILS
SECU	RITY
SEC001	SECURITY COVER SHEET
SEC002	SECURITY SYSTEM SECURITY-ACCESS CONTROL DETAILS
SEC003	INTRUSION DETECTION SYSTEM NOTES AND DETAILS
SEC004	CCTV SYSTEM NOTES AND DETAILS
SEC005	DISTRIBUTED ANTENNA SYSTEM (DAS) NOTES AND DETAILS
SEC006	DISTRIBUTED ANTENNA SYSTEM (DAS) SPECIFICATIONS
SEC110	SECURITY PLAN FIRST FLOOR
SEC120	SECURITY PLAN SECOND FLOOR
SEC130	SECURITY PLAN THIRD FLOOR

LAYOUT

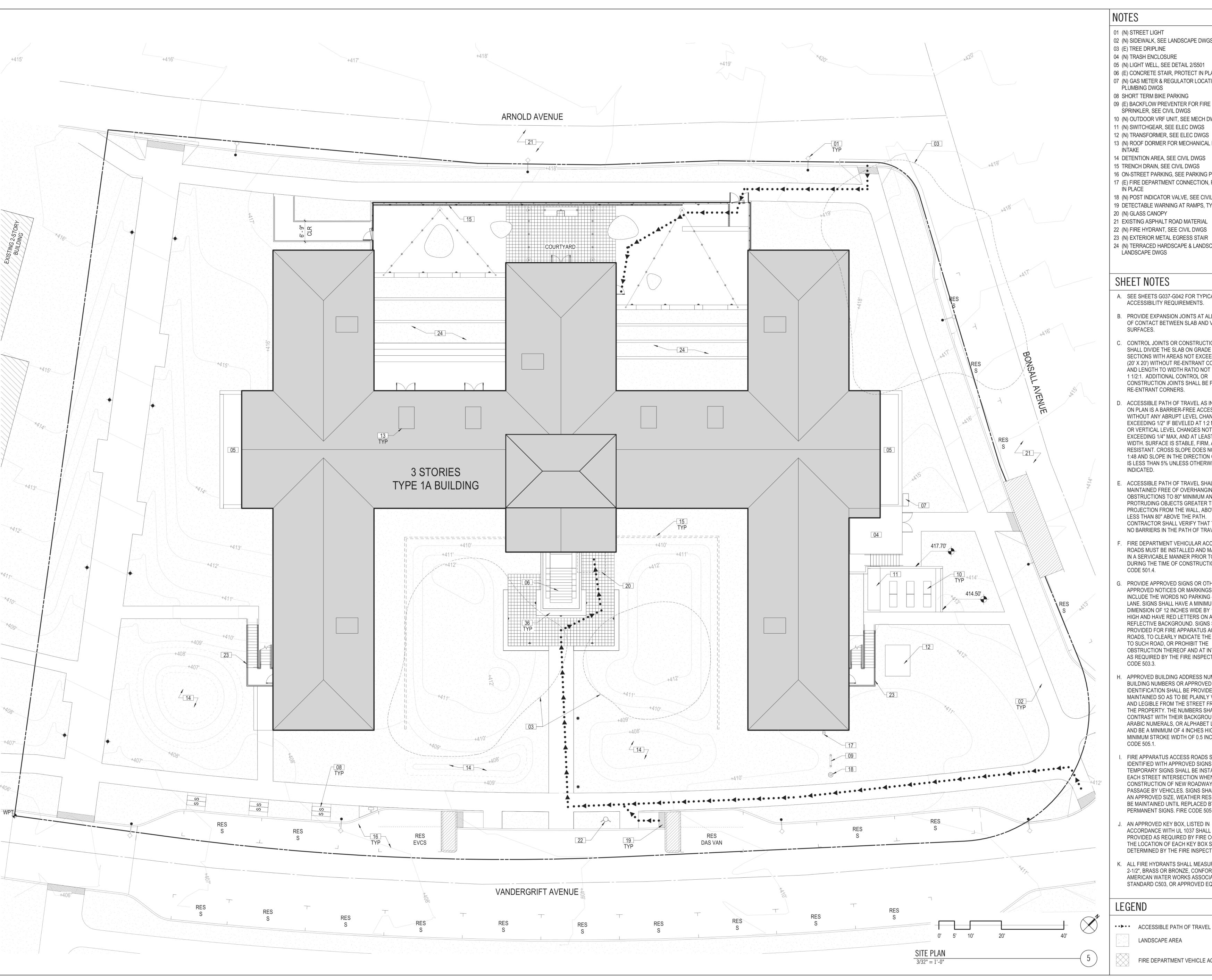
PAVERS

ALLEE PAVERS

ENLARGEMENT PLAN - FRONT PORCH

ENLARGEMENT PLAN - PEDESTRIAN

GENERAL NOTES	BUILDING CODES USED	MOBILITY UNIT MATRIX	FAR SUMMARY	PROJECT INFORMATION	
1. THE WORK SHALL CONFORM TO THE APPLICABLE BUILDING CODE, AND ALL OTHER ORDINANCES, CODES, AND REGULATIONS LISTED IN THE SPECIFICATIONS OR ON THE DRAWINGS, AND REQUIRED BY LOCAL BUILDING AUTHORITIES. THE GOVERNING CODES, RULES, AND REGULATIONS ARE COLLECTIVELY REFERRED TO AS "THE CODE". CONTRACTOR SHALL REPORT ANY INCONSISTENCIES, CONFLICTS OR OMISSIONS HE MAY DISCOVER TO THE ARCHITECT FOR INTERPRETATION PRIOR TO PERFORMING THE WORK. 12. THE CONTRACT DRAWINGS AND SPECIFICATIONS REPRESENT THE FINISHED STRUCTURE AND DO NOT INDICATE THE METHODS OF CONSTRUCTION MEANS, METHODS, TECHNIQUES, SEQUENCES, AND PROCEDURES INCLUDING, BUT NOT LIMITED TO BRACING AND SHORING. OBSERVATION VISITS TO THE SITE BY FIELD REPRESENTATIVES OF THE ARCHITECT AND/OR ENGINEER SHALL NOT INCLUDE INSPECTIONS OF THE PROTECTIVE MEASURES TO THE CONSTRUCTION PROCEDURES.	2017 COUNTY OF LOS ANGELES BUILDING CODE (TITLE 26) 2017 COUNTY OF LOS ANGELES ELECTRICAL CODE (TITLE 27) 2017 COUNTY OF LOS ANGELES PLUMBING CODE (TITLE 28) 2017 COUNTY OF LOS ANGELES MECHANICAL CODE (TITLE 29) 2017 COUNTY OF LOS ANGELES RESIDENTIAL CODE (TITLE 30)	PER CBC 11B-233.3.1.1 OR 504/UFAS: 5% OF TOTAL NUMBER OF RESIDENTIAL DWELLING UNITS SHALL PROVIDE MOBILITY FEATURES. PER CTCAC: 11% OF TOTAL NUMBER OF RESIDENTIAL DWELLING UNITS SHALL PROVIDE MOBILITY FEATURES SENIOR HOUSING MOBILITY UNITS:	LEVEL TYPE AREA (SF) 1ST FLOOR (E) FAR 10189 2ND FLOOR (E) FAR 15066 3RD FLOOR (E) FAR 15085 40340 1ST FLOOR ADDED FAR 379	PROJECT NAME: VA BUILDING 207 ADDRESS: 11301 WILSHIRE BLVD LOS ANGELES, CA 90073 BUILDING 207, VANDERGRIFT AVE, VA GREATER LOS ANGELES NORTH CAMPUS TRACT: RANCHO SAN VICENTE Y SANTA MONICA PROJECT DESCRIPTION: ADAPTIVE REUSE OF THE VETERANS AFFAIRS'	(KFA)
2. CONSTRUCTION SHALL COMPLY WITH PERTINENT HEALTH AND SAFETY REGULATIONS FOR REQUIRED METHODS PROTECTING PUBLIC AND CONSTRUCTION WORKER'S HEALTH AND SAFETY DURING THE CONSTRUCTION PERIOD. 3. BEFORE ORDERING ANY MATERIAL, OR DOING ANY WORK, THE CONTRACTOR SHALL VERIFY ALL MEASUREMENTS AT THE BUILDING SITE AND SHALL BE RESPONSIBLE FOR CORRECTNESS OF SAME. 4. DIMENSIONS SHALL BE AS INDICATED ON THE DRAWINGS. CLARIFICATIONS, IF REQUIRED, SHALL BE OBTAINED FROM THE ARCHITECT. THE DRAWING SHALL NOT BE SOALED.	2016 CALIFORNIA FIRE CODE (CFC). PART 9, TITLE 24, C.C.R. & AMENDMENTS 2016 CALIFORNIA REFERENCED STANDARDS CODE, PART 12, TITLE 24 C.C.R. 2017 COUNTY OF LOS ANGELES GREEN BUILDING STANDARDS CODE (TITLE 31) 2010 ADAS AMERICANS WITH DISABILITIES ACT STANDARDS WITH HUD	60 UNITS X 11% = 7 UNITS PER UFAS: 5% OF TOTAL NUMBER OF RESIDENTIAL DWELLING UNITS TO HAVE ROLL-IN SHOWERS SENIOR HOUSING UNITS WITH ROLL-IN SHOWERS: 60 UNITS X 5% = 3 UNITS	3RD FLOOR ADDED FAR 60 439 1ST FLOOR DEDUCTED FAR 512 2ND FLOOR DEDUCTED FAR 99 3RD FLOOR DEDUCTED FAR 111 722	BUILDING 207 ON THE WEST LA CAMPUS TO 59 AFFORDABLE SENIOR RESIDENTIAL UNITS AND 1 MANAGER'S UNIT FOR A TOTAL OF 60 UNITS. CONSTRUCTION TYPE: (E) 3 STORY TYPE I FIRE SPRINKLER BUILDING TO BE EQUIPPED WITH FIRE EXTINGUISING SYSTEM COMPLYING WITH NFPA-13R & SHAL BE APPROVED BY THE COUNTY PRIOR TO INSTALLATION	
SHALL NOT BE SCALED. 14. IN THE EVENT OF CONFLICTING REQUIREMENTS BETWEEN ITEMS ON THE DRAWING ON THE SPECIFICATIONS, OR BETWEEN ITEMS IN THE SPECIFICATIONS, OR BETWEEN ITEMS ON THE DRAWING OR BETWEEN ITEMS IN THE SPECIFICATIONS, THE MORE STRINGENT OR COSTLY SHALL GOVERN, UNLESS DECIDED OTHERWISE BY THE ARCHITECT. ARCHITECT OR THE OWNER. 15. ACCESSIBLE PATH OF TRAVEL AS INDICATED ON PLAN IS A BARRIER-FREE ACCESS ROUTE WITHOUT ANY ABRUPT LEVEL CHANGES EXCEEDING 1/2" IF BEVELED AT 1:2 MAX SLOPE, OR VERTICAL LEVEL CHANGES NOT EXCEEDING 1/4" MAX, AND AT LEAST 48" IN WIDTH.	HUD FAIR HOUSING ACT - DISABILITY/ACCESSIBILITY PROVISIONS INCLUDING SAFE HARBORS SECTION 504 OF THE REHABILITATION ACT OF 1973 HUD FAIR HOUSING DESIGN MANUAL UNRUH CIVIL RIGHTS ACT - NOTE 2, CBC-11A	MOBILITY UNIT MATRIX LEVEL NUMBER UNIT COMMENTS 1ST FLOOR 106 STUDIO MOBILITY & UFAS 1ST FLOOR 121 STUDIO MOBILITY & UFAS 1ST FLOOR 123 1 BEDROOM MOBILITY & UFAS	GROSS BUILDABLE AREA AREA SCHEDULE 1ST FLOOR RESIDENTIAL 12605 2ND FLOOR RESIDENTIAL 16165	ALARM SYSTEM AN APPROVED FIRE ALARM SYSTEM SHALL BE INSTALLED WITH THE CODE NFPA72 & 907.5 ZONING: RE11 LOT AREA: 67,392 SF = 1.55 ACRES TOTAL BUILDING SF (GROSS) 45,777 SF	
CONTRACTORS EMPLOYED BY THE OWNER. 8. THE CLIENT, ARCHITECT, CONSULTANTS, AND ALL INSPECTORS FROM PERTINENT AGENCIES SHALL BE PERMITTED ACCESS TO THE JOB SITE AT ALL TIMES DURING NORMAL WORKING HOURS. 9. WINDOW AND DOOR DIMENSIONS FOR PREFABRICATED WINDOW AND DOOR UNITS HAVE BEEN ROUNDED TO THE NEAREST INCH ON THE DRAWINGS. SPECIFIC DIMENSIONS BY MANUFACTURERS MAY VARY FROM THE DRAWINGS.		1ST FLOOR: 3 2ND FLOOR 206 STUDIO MOBILITY 2ND FLOOR 221 STUDIO MOBILITY 2ND FLOOR: 2 3RD FLOOR 306 STUDIO MOBILITY 3RD FLOOR 321 STUDIO MOBILITY 3RD FLOOR: 2 GRAND TOTAL: 7	3RD FLOOR RESIDENTIAL 17007 RESIDENTIAL 45777 GRAND TOTAL 45777 OPEN SPACE SUMMARY	PROPOSED UNIT COUNT/MIX 53 - STUDIOS 6 - 1 BR 1 - 2 BR - MANAGER'S UNIT PROVIDED PARKING: 19 DEDICATED SURFACE PARKING SPACES + 1 ELECTRIC VEHICLE PARKING SPACE = 20 PARKING SPACES IMMEDIATELY ADJACENT TO BUILDING 207 ARE PROVIDED AS A PART OF THE LARGER CAMPUS PLAN.	
 10. THE CONTRACTOR SHALL VERIFY LOCATION AND SIZE OF ALL FLOOR, ROOF, AND WALL OPENINGS WITH ALL APPLICABLE DRAWINGS. 11. DETAILS ARE INTENDED TO SHOW THE INTENT OF THE DESIGN. MINOR MODIFICATIONS MAY BE REQUIRED TO SUIT THE FIELD DIMENSIONS OR CONDITIONS, AND SUCH MODIFICATIONS SHALL BE INCLUDED AS PART OF THE WORK OF THE CONTRACT. 12. PROJECT WILL BE A NON-SMOKING BUILDING. 13. THIS IS A PUBLICLY FUNDED HOUSING PROJECT AND MUST COMPLY WITH FEDERAL ACCESSIBILITY STANDARDS AND CALIFORNIA BUILDING CODE CHAPTERS 11A & 11B. 14. THIS IS A PUBLICLY FUNDED HOUSING PROJECT AND MUST COMPLY WITH FEDERAL ACCESSIBILITY STANDARDS AND CALIFORNIA BUILDING CODE CHAPTERS 11A & 11B. 15. THIS IS A PUBLICLY FUNDED HOUSING PROJECT AND MUST COMPLY WITH FEDERAL ACCESSIBILITY STANDARDS AND CALIFORNIA BUILDING CODE CHAPTERS 11A & 11B. 16. THIS IS A PUBLICLY FUNDED HOUSING PROJECT AND MUST COMPLY WITH FEDERAL ACCESSIBILITY STANDARDS AND CALIFORNIA BUILDING CODE CHAPTERS 11A & 11B. 17. PROJECT WILL BE A NON-SMOKING BUILDING. 18. THIS IS A PUBLICLY FUNDED HOUSING PROJECT AND MUST COMPLY WITH FEDERAL ACCESSIBILITY STANDARDS AND CALIFORNIA BUILDING CODE CHAPTERS 11A & 11B. 19. CONTRACTOR TO PROVIDE ROOF & UNDERLAYMENT CONDITION AND REPORT. THE PARTIES AGREE TO UTILIZE A LICENSED PROFESSIONAL ROOFING CONTRACTOR TO PROVIDE OBSERVATION AND REPORT. THE REPORT IS TO INCLUDE A THOROUGH LOOK INTO THE CURRENT CONDITION AND FUTURE LIFE OF FOORING MATERIAL AND UNDERLAYMENT MATERIAL IN ITS CURRENT STATE. 		UNIVERSAL DESIGN SENIOR HOUSING PROJECTS ARE REQUIRED TO INTEGRATE UNIVERSAL DESIGN REQUIREMENTS FOR ALL PROJECT UNITS AND SHALL BE PLACED IN SERVICE AS "FULLY ACCESSIBLE" (PER ADA 2010 AND CBC 11B) INCLUDING THE INSTALLATION OF GRAB BARS AND THE INSTALLATION OF THE TUB SEAT AT THE ACCESSIBLE BATHROOM.	NAME COMMON OPEN SPACE: 2ND FLOOR 1 3154 COURTYARD COMMON OPEN SPACE: 2ND FLOOR 1 1703 FRONT YARD COMMON OPEN SPACE: 2ND FLOOR 1 1543 REC ROOM GRAND TOTAL 6400	OPEN SPACE PROPOSED: 6,400 SF - INCLUDES COMMUNITY ROOM, SHARED COURTYARD AND LANDSCAPED FRONT YARD. PROJECT DENSITY: 39 DU / ACRE BLDG HEIGHT: (E) 43'-0" OCCUPANCY TYPE: R-2 THIS PROJECT IS A PART OF A LARGER CAMPUS PLAN AND FOLLOWS THE STANDARDS SET FORTH IN THE EUL AGREEMENT BETWEEN OWNER AND THE VA GREATER LOS ANGELES CAMPUS.	201
ARCHITECTURAL SYMBOLS	DEFERRED SUBMITTALS	COMMUNICATION UNIT MATRIX	PARKING SUMMARY	LEGAL DESCRIPTION	65
DETAIL (KK) WINDOW MARK ALIGN FINISHES BUILDING SECTION WALL TYPE EE FIRE EXTINGUISHER WALL SECTION WORK POINT ACCESSIBLE PATH OF TRAVEL FINC TRANSITION FENCE ELEVATION MARK EXTERIOR ELEVATION FENCE ELEVATION MARK EXT SIGN ARC HITECTURAL ABBREVIATIONS ACCESSIBLE PATH OF TRAVEL FINC TRANSITION FENCE EXECURITY OPENING ACCESSIBLE PATH OF TRAVEL FINC TRANSITION FENCE EXECURITY OPENING ACCESSIBLE PATH OF TRAVEL FINC TRANSITION FENCE EXECURITY OPENING ACCESSIBLE PATH OF TRAVEL FINC TRANSITION FENCE FOR FACE OF FINISH FOR FACE OF FINISH ACCESSIBLE PATH OF TRAVEL FINC TRANSITION FENCE FOR FACE OF FINISH FOR FACE OF FINISH ACCESSIBLE PATH OF TRAVEL FINC TRANSITION FENCE FOR FACE OF FINISH FOR FACE OF FINISH FOR FACE OF FINISH ACCESSIBLE PATH OF TRAVEL FOR FACE OF FINISH ACCESSIBLE PATH OF TRAVEL FOR FACE OF FINISH FACE OF STUDY FOR FACE OF FINISH FINISH SUBFACE FOR FACE OF FINISH FOR FACE OF FINISH FOR FACE OF FINISH FOR FACE OF FINISH FINISH SUBFACE FOR FACE OF FINISH FOR FACE OF FINISH FOR FACE OF FINISH FINISH FOR FACE OF FINISH FINISH FOR FACE OF FINISH FINISH FINISH FOR FACE OF FINISH FINISH FINISH FOR FACE OF FINISH FINISH FINISH FINISH FINISH	1. FIRE SPRINKLER SYSTEMS 2. FIRE ALARM 3. PHONE, CATV, AND DATA SYSTEMS 4. CCTV SYSTEMS 5. SIGNAGE NOTE: THE DEFERRED SUBMITTAL ITEMS SHALL BE SUBMITTED TO THE ARCHITECT OR ENGINEER OF RECORD WHO SHALL REVIEW AND APPROVE THEM, AND FORWARD THEM TO THE BUILDING OFFICIAL WITH A NOTATION INDICATING THAT THE DEFERRED SUBMITTAL DOCUMENTS HAVE BEEN REVIEWED AND APPROVED AND THAT THEY HAVE BEEN FOUND TO BE IN GENERAL COMFORMANCE WITH THE DESIGN OF THE BUILDING. THE DEFERRED SUBMITTAL ITEMS SHALL NOT BE INSTALLED UNTIL THEIR DESIGN AND SUBMITTAL DOCUMENTS HAVE BEEN APPROVED BY THE BUILDING OFFICIAL PROVIDE AMPLE TIME FOR THE BUILDING OFFICIAL TO REVIEW THE DOCUMENTS.	PER CBC 11B-233.3.1.3 OR 504/UFAS: 2% OF TOTAL NUMBER OF RESIDENTIAL DWELLING UNITS SHALL PROVIDE COMMUNICATION/SENSORY FEATURES. PER CTCAC: 4% OF TOTAL NUMBER OF RESIDENTIAL DWELLING UNITS SHALL PROVIDE COMMUNICATION/SENSORY FEATURES SENIOR HOUSING COMMUNICATION UNITS: 60 UNITS X 4% = 3 UNITS WIRING FOR AUDIO AND VISUAL DOORBELLS REQUIRED BY UFAS/ADA 2010 SHALL BE INSTALLED FOR ALL UNIVERSAL DESIGN UNITS. UNITS THAT INCLUDE COMMUNICATION FEATURES FOR AUDIO AND VISUALLY IMPAIRED RESIDENTS, ALARMS AND DOORBELLS SHALL EXTEND INTO ALL HAIBTABLE ROOMS AND BATHROOMS AND SHALL FULLY COMPLY WITH ALL REQUIREMENTS OF UFAS/ADA 2010. COMMUNICATION UNIT MATRIX LEVEL NUMBER UNIT COMMENTS 2ND FLOOR 202 STUDIO COMMUNICATION 2ND FLOOR: 1 3RD FLOOR: 1 3RD FLOOR 312 1 BEDROOM COMMUNICATION 3RD FLOOR: 2 GRAND TOTAL: 3	PARKING REQUIRED (AB744 DENSITY BONUS) 100% RENTAL AFFORDABLE UNITS 1 X 0.5 = 1 SPECIAL NEEDS HOUSING 59 X 0.3 = 17.7 TOTAL = 19 FUTURE EV 3% OF 19 PROVIDED = 1 STALL TOTAL PARKING PROVIDED (INCLUDING EV) = 20 PARKING SCHEDULE (STALL SIZE) STALL TYPE COUNT EV CAPABLE 1 STANDARD 18 VAN ACCESSIBLE 1 GRAND TOTAL 20 BIKE PARKING SUMMARY BIKE PARKING REQUIRED PER TABLE 22.112.100-A: LONG TERM 60 UNITS @ 1 PER 2 = 30 SPACES SHORT TERM	THOSE PORTIONS OF THE RANCHO SAN VICENTE Y SANTA MONICA SHOWN IN PATENTS BOOK 3, PAGES 30 AND 31, TOGETHER WITH THE RANCHO SAN VICENTE Y SANTA MONICA KNOW AS VILLA FARMS, SHOWN IN BOOK 70, PAGES 54 THROUGH 66, INCLUSIVE OF MISCELLANEOUS RECORDS, TOGETHER WITH THE SANTA MONICA LAND AND WATER COMPANY TRACT, SHOWN IN BOOK 78, PAGES 44 THROUGH 49, INCLUSIVE OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHERLY TERMINUS OF THAT PARTICULAR COURSE WITH A BEARING OF NORTH 35°2345" WEST, A DISTANCE OF 1466.30 FEET, AS SHOWN ON THAT RECORD OF SURVEY RECORDED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AS BOOK 282, PAGES 19 THROUGH 23; THENCE NORTH 35°2345" WEST ALONG SAID LINE, A DISTANCE OF 86.82 FEET; THENCE SOUTH 54°36'15" WEST, A DISTANCE OF 483.98 FEET TO THE TRUE POINT OF BEGINNING. THENCE SOUTH 37°33'07" EAST, A DISTANCE OF 90.19 FEET; THENCE SOUTH 45°0951" EAST, A DISTANCE OF 67.79 FEET, TO THE BEGINNING OF A TANGENT CURVE, CONCAVE WESTERLY, HAVING A RADIUS OF 42.00 FEET; THENCE SOUTH WESTERLY ALONG SAID CURVE, 80.30 FEET, THROUGH A CENTRAL ANGLE OF 109°32'53"; THENCE SOUTH 66°23'02" WEST, A DISTANCE OF 109°32'53"; THENCE SOUTH 66°23'02" WEST, A DISTANCE OF 110°23'05"; THENCE SOUTH 66°23'05" WEST, A DISTANCE OF 110°23'05"; THENC	THIS DRAWING AND THE INFORMATION CONTAINED HEREIN ARE THE COPYRIGHTED WORK OF KILLEFER FLAMMAG ARCHITECTS AND MAY NOT BE REPRODUCED WITHOUT WRITTEN PERMISSION JUBINITAL: 95% CD BID SUBMITTAL
CAB CABINET HM HOLLOW METAL SCW SOLID CORE WOOD € CENTER LINE HR HANDRAIL SF SQUARE FEET CL CLOSET HT HEIGHT SHT SHEET CLG CEILING CLR CLEAR INS INSULATION SIM SIMILAR			60 UNITS @ 1 PER 10 = 6 SPACES LONG TERM BIKE PARKING TO BE PROVIDED IN A SHARED, LOCKABLE SHELTER AS PART OF THE LARGER VA CAMPUS MASTER PLAN.		JOB NUMBER: 18042.00 DATE: 06/12/2020
CMU CONCRETE MASONRY UNIT INT INTERIOR SL SLOPE COL COLUMN CONC CONCRETE JST JOIST STL STEEL CONT CONTINUOUS STRUC STRUCTURAL	FIRE RATING REQUIREMENTS	PROJECT TEAM		VICINITY MAP	REVISIONS:
CONTR CONTRACTOR CPT CARPET CRS COURSES COURSES CT CERAMIC TILE MAX MAXIMUM THK THICK DAS DISABLED ACCESS MECH MFR MANUFACTURER TO TO TOP OF DIA DIAMETER MIN MINIMUM TOC TOP OF CONCRETE DIM DIMENSION MISC MISC MISCELLANEOUS MO MASONRY OPENING TOS TOP OF SHEATHING DS DOWNSPOUT MTD MOUNTED TOW TOP OF WALL TS TUBE STEEL	PER CBC TABLE 601: BUILDING ELEMENT STRUCTURAL FRAME BEARING WALLS EXTERIOR BEARING WALLS EXTERIOR SUPPORTING ROOF BEARING WALLS INTERIOR NON BEARING WALLS (SEE TABLE 602 BELOW) FLOOR CONSTRUCTION ROOF CONSTRUCTION SHAFT WALLS FOR ELEVATORS AND STAIRS SHAFT WALLS FOR BATHROOM / CORRIDOR EXHAUST AND SUPPLY TYPE 1A TYPE 1A TYPE 1A 3 HOUR 3 HOUR 3 HOUR 2 HOUR 1 HOUR 1 HOUR 1 HOUR 1 HOUR	OWNER THOMAS SAFRAN & ASSOCIATES 11811 SAN VICENTE BLVD LOS ANGELES, CA 90049 PHONE #310.820.2236 BLAKE CODDINGTON ARCHITECT KFA ARCHITECTURE 3573 HAYDEN AVENUE STRUCTURAL ENGINER ENGLEKIRK STRUCTURAL ENGIN 888 S FIGUEROA ST, 18TH FLOOR 10S ANGELES, CA 90017 PHONE #323.733.6673 TONY GHODSI MEP ENGINEER K2D ENGINEERS 4091 REDWOOD AVE, SUITE 101	SAN FRANCISCO, CA 94103 PHONE #415.551.0090 TODD MEAD GEOTECHNICAL ENGINEER FEFFER GEOLOGICAL CONSULTING 1990 S BUNDY DR, SUITE 400	SITE: 11301 WILSHIRE BLVD (11000 WILSHIRE BLVD) ARNOLD AVE JACKIE ROBINSON STADIUM	
ELEC ELECTRICAL (N) NEW ELEV ELEVATOR NIC NOT IN CONTRACT UNO UNLESS NOTED OTHERWISE EOS EDGE OF SLAB NTS NOT TO SCALE EQ EQUAL EXT EXTERIOR OC ON CENTER VERT VERTICAL E/W EACH WAY OFCI OWNER FURNISHED- CONTRACTOR INSTALLED	NOTE: FOLLOW CHART FOR FIRE RATINGS OF BUILDING ELEMENTS UNO PER CBC TABLE 602: FOR TYPE 1B CONSTRUCTION, OCCUPANCY GROUP R: FIRE-RESISTANCE RATING REQUIREMENTS FOR EXTERIOR WALLS BASED ON FIRE SEPARATION DISTANCE	CULVER CITY, CA 90232 PHONE #424.268.2477 MONICA RODRIGUEZ CIVIL ENGINEER KPFF HISTORIC CONSULTANT HISTORIC RESOURCES GROUP (F	LOS ANGELES, CA 90025 PHONE #310.207.5048 JOSH FEFFER	VANDERGRIFT AVE VANDERGRIFT AVE CONSTITUTION AVE	PROJECT INFORMATION
FEFIRE EXTINGUISHEROFOIOWNER FURNISHED- OWNER INSTALLEDW/ WCWATER CLOSETFINFINISHOFVIOWNER FURNISHED- VENDOR INSTALLEDWDWOODFJFLOOR JOISTVENDOR INSTALLEDWHWATER HEATERFLRFLOOROHOVERHEADWPWATERPROOFFMCFLOOR MATERIAL CHANGEOPNGOPENINGWPTWORK POINT	FIRE SEPARATION DISTANCE = x (feet) RATING REQUIREMENT x < 5	LONG BEACH, CA 90802 PASADENA, CA 91105 PHONE #562.437.9100 PHONE #626.793.2400 JOSE HERNANDEZ PAUL TRAVIS		N N	SHEET NUMBER: GO 10 6/12/20 9-43:24 AM



- 01 (N) STREET LIGHT
- 02 (N) SIDEWALK, SEE LANDSCAPE DWGS
- 03 (E) TREE DRIPLINE
- 04 (N) TRASH ENCLOSURE
- 05 (N) LIGHT WELL, SEE DETAIL 2/S501 06 (E) CONCRETE STAIR, PROTECT IN PLACE
- 07 (N) GAS METER & REGULATOR LOCATION, SEE PLUMBING DWGS
- 08 SHORT TERM BIKE PARKING 09 (E) BACKFLOW PREVENTER FOR FIRE
- SPRINKLER, SEE CIVIL DWGS 10 (N) OUTDOOR VRF UNIT, SEE MECH DWGS
- 11 (N) SWITCHGEAR, SEE ELEC DWGS
- 13 (N) ROOF DORMER FOR MECHANICAL EXHAUST &
- 14 DETENTION AREA, SEE CIVIL DWGS
- 15 TRENCH DRAIN, SEE CIVIL DWGS
- 16 ON-STREET PARKING, SEE PARKING PLAN 17 (E) FIRE DEPARTMENT CONNECTION, PROTECT
- IN PLACE 18 (N) POST INDICATOR VALVE, SEE CIVIL DWGS
- 19 DETECTABLE WARNING AT RAMPS, TYP
- 20 (N) GLASS CANOPY
- 21 EXISTING ASPHALT ROAD MATERIAL
- 22 (N) FIRE HYDRANT, SEE CIVIL DWGS
- 23 (N) EXTERIOR METAL EGRESS STAIR
- 24 (N) TERRACED HARDSCAPE & LANDSCAPE, SEE LANDSCAPE DWGS

SHEET NOTES

- A. SEE SHEETS G037-G042 FOR TYPICAL ACCESSIBILITY REQUIREMENTS.
- B. PROVIDE EXPANSION JOINTS AT ALL POINTS OF CONTACT BETWEEN SLAB AND VERTICAL SURFACES.
- CONTROL JOINTS OR CONSTRUCTION JOINTS SHALL DIVIDE THE SLAB ON GRADE INTO SECTIONS WITH AREAS NOT EXCEEDING 400SF (20' X 20') WITHOUT RE-ENTRANT CORNERS AND LENGTH TO WIDTH RATIO NOT EXCEEDING 1 1/2:1. ADDITIONAL CONTROL OR CONSTRUCTION JOINTS SHALL BE PLACED AT RE-ENTRANT CORNERS.
- D. ACCESSIBLE PATH OF TRAVEL AS INDICATED ON PLAN IS A BARRIER-FREE ACCESS ROUTE WITHOUT ANY ABRUPT LEVEL CHANGES EXCEEDING 1/2" IF BEVELED AT 1:2 MAX SLOPE OR VERTICAL LEVEL CHANGES NOT EXCEEDING 1/4" MAX, AND AT LEAST 48" IN WIDTH. SURFACE IS STABLE, FIRM, AND SLIP RESISTANT. CROSS SLOPE DOES NOT EXCEED 1:48 AND SLOPE IN THE DIRECTION OF TRAVEL IS LESS THAN 5% UNLESS OTHERWISE INDICATED.
- ACCESSIBLE PATH OF TRAVEL SHALL BE MAINTAINED FREE OF OVERHANGING OBSTRUCTIONS TO 80" MINIMUM AND PROTRUDING OBJECTS GREATER THAN A 4" PROJECTION FROM THE WALL, ABOVE 27" AND LESS THAN 80" ABOVE THE PATH. CONTRACTOR SHALL VERIFY THAT THERE ARE NO BARRIERS IN THE PATH OF TRAVEL.
- FIRE DEPARTMENT VEHICULAR ACCESS ROADS MUST BE INSTALLED AND MAINTAINED IN A SERVICABLE MANNER PRIOR TO AND DURING THE TIME OF CONSTRUCTION. FIRE CODE 501.4.
- G. PROVIDE APPROVED SIGNS OR OTHER APPROVED NOTICES OR MARKINGS THAT INCLUDE THE WORDS NO PARKING - FIRE LANE. SIGNS SHALL HAVE A MINIMUM DIMENSION OF 12 INCHES WIDE BY 18 INCHES HIGH AND HAVE RED LETTERS ON A WHITE REFLECTIVE BACKGROUND. SIGNS SHALL BE PROVIDED FOR FIRE APPARATUS ACCESS ROADS, TO CLEARLY INDICATE THE ENTRANCE TO SUCH ROAD, OR PROHIBIT THE OBSTRUCTION THEREOF AND AT INTERVALS, AS REQUIRED BY THE FIRE INSPECTOR. FIRE CODE 503.3.
- H. APPROVED BUILDING ADDRESS NUMBERS, BUILDING NUMBERS OR APPROVED BUILDING IDENTIFICATION SHALL BE PROVIDED AND MAINTAINED SO AS TO BE PLAINLY VISIBLE AND LEGIBLE FROM THE STREET FRONTING THE PROPERTY. THE NUMBERS SHALL CONTRAST WITH THEIR BACKGROUND, BE ARABIC NUMERALS, OR ALPHABET LETTERS, AND BE A MINIMUM OF 4 INCHES HIGH WITH A MINIMUM STROKE WIDTH OF 0.5 INCHES. FIRE CODE 505.1.
- FIRE APPARATUS ACCESS ROADS SHALL BE IDENTIFIED WITH APPROVED SIGNS. TEMPORARY SIGNS SHALL BE INSTALLED AT EACH STREET INTERSECTION WHEN CONSTRUCTION OF NEW ROADWAYS ALLOWS PASSAGE BY VEHICLES. SIGNS SHALL BE OF AN APPROVED SIZE, WEATHER RESISTANT AND BE MAINTAINED UNTIL REPLACED BY PERMANENT SIGNS. FIRE CODE 505.2
- J. AN APPROVED KEY BOX, LISTED IN ACCORDANCE WITH UL 1037 SHALL BE PROVIDED AS REQUIRED BY FIRE CODE 506. THE LOCATION OF EACH KEY BOX SHALL BE DETERMINED BY THE FIRE INSPECTOR.
- K. ALL FIRE HYDRANTS SHALL MEASURE 6" X 4" X 2-1/2", BRASS OR BRONZE, CONFORMING TO AMERICAN WATER WORKS ASSOCIATION STANDARD C503, OR APPROVED EQUAL.

LEGEND

- •••• ACCESSIBLE PATH OF TRAVEL
 - LANDSCAPE AREA
 - FIRE DEPARTMENT VEHICLE ACCESS



310.399.7975

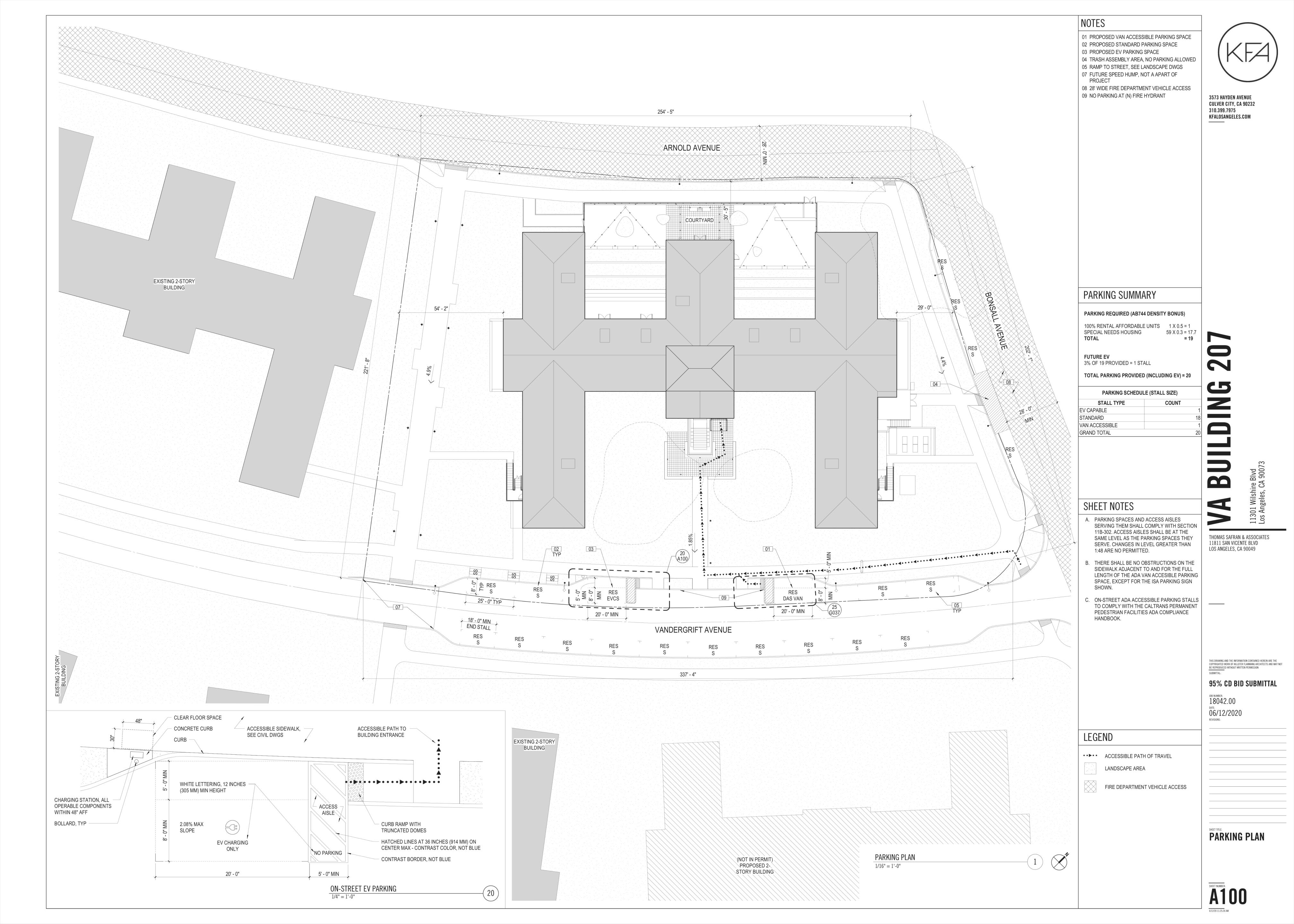
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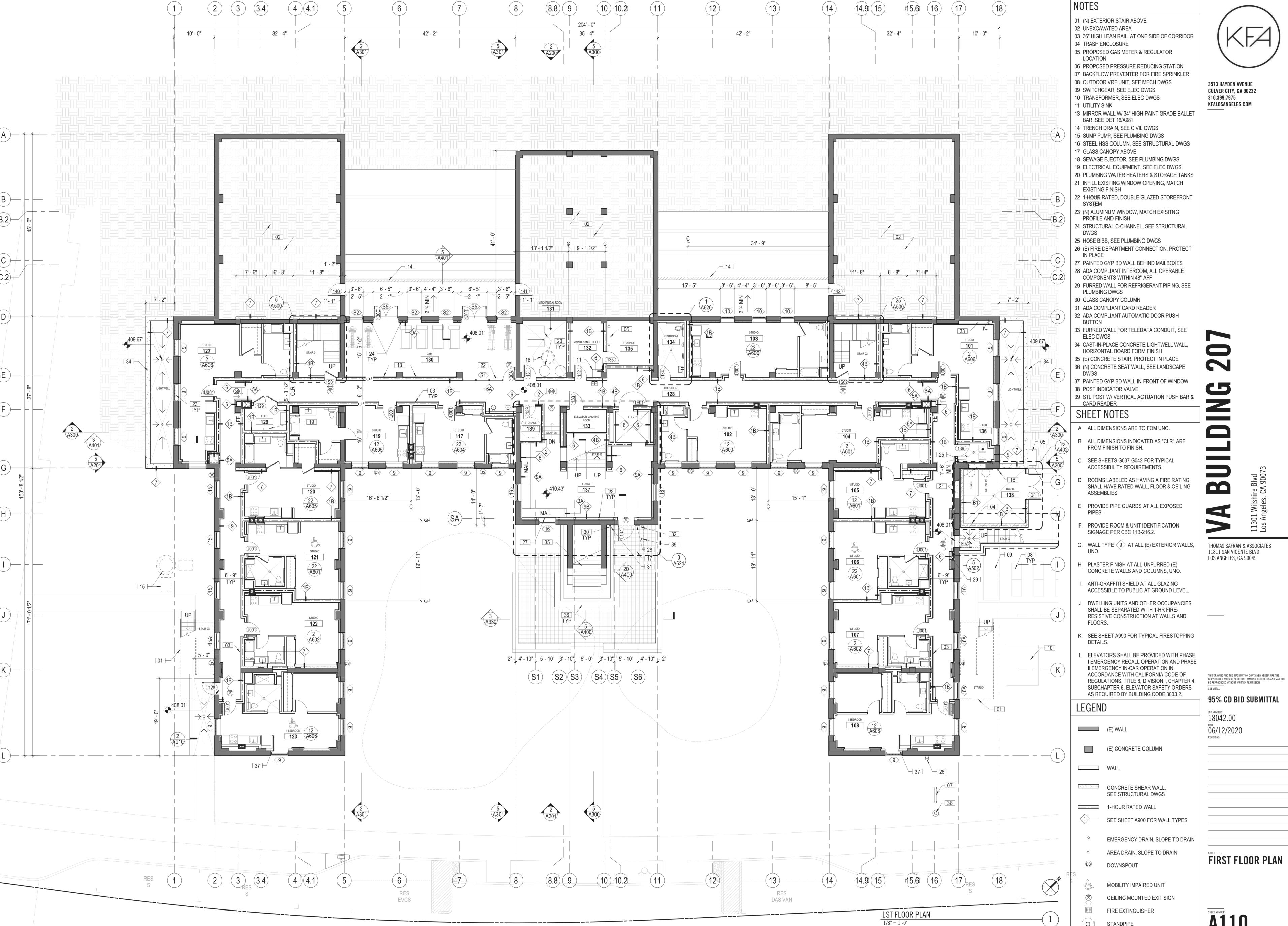
THOMAS SAFRAN & ASSOCIATES 11811 SAN VICENTE BLVD LOS ANGELES, CA 90049

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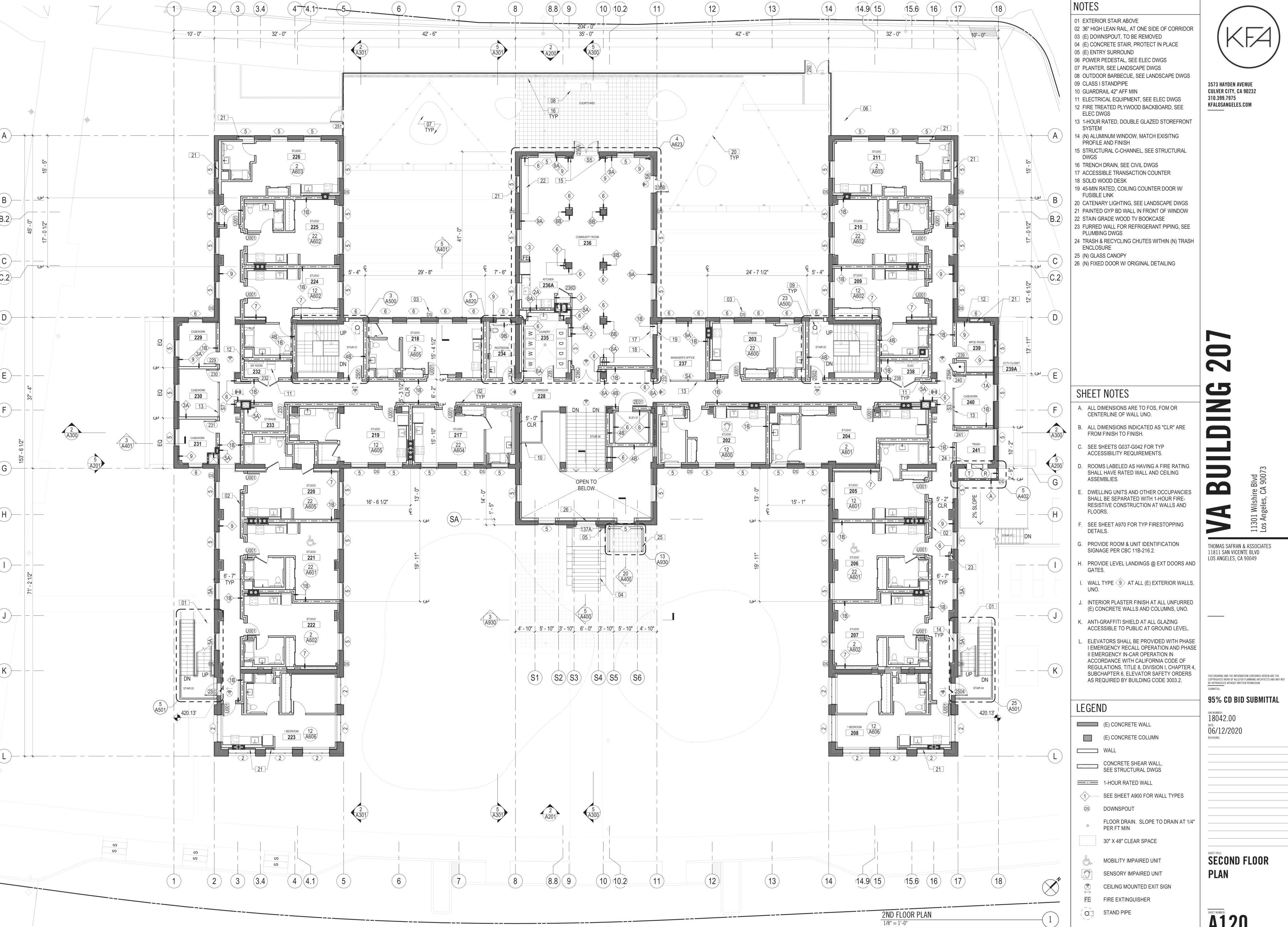
95% CD BID SUBMITTAL

SITE PLAN

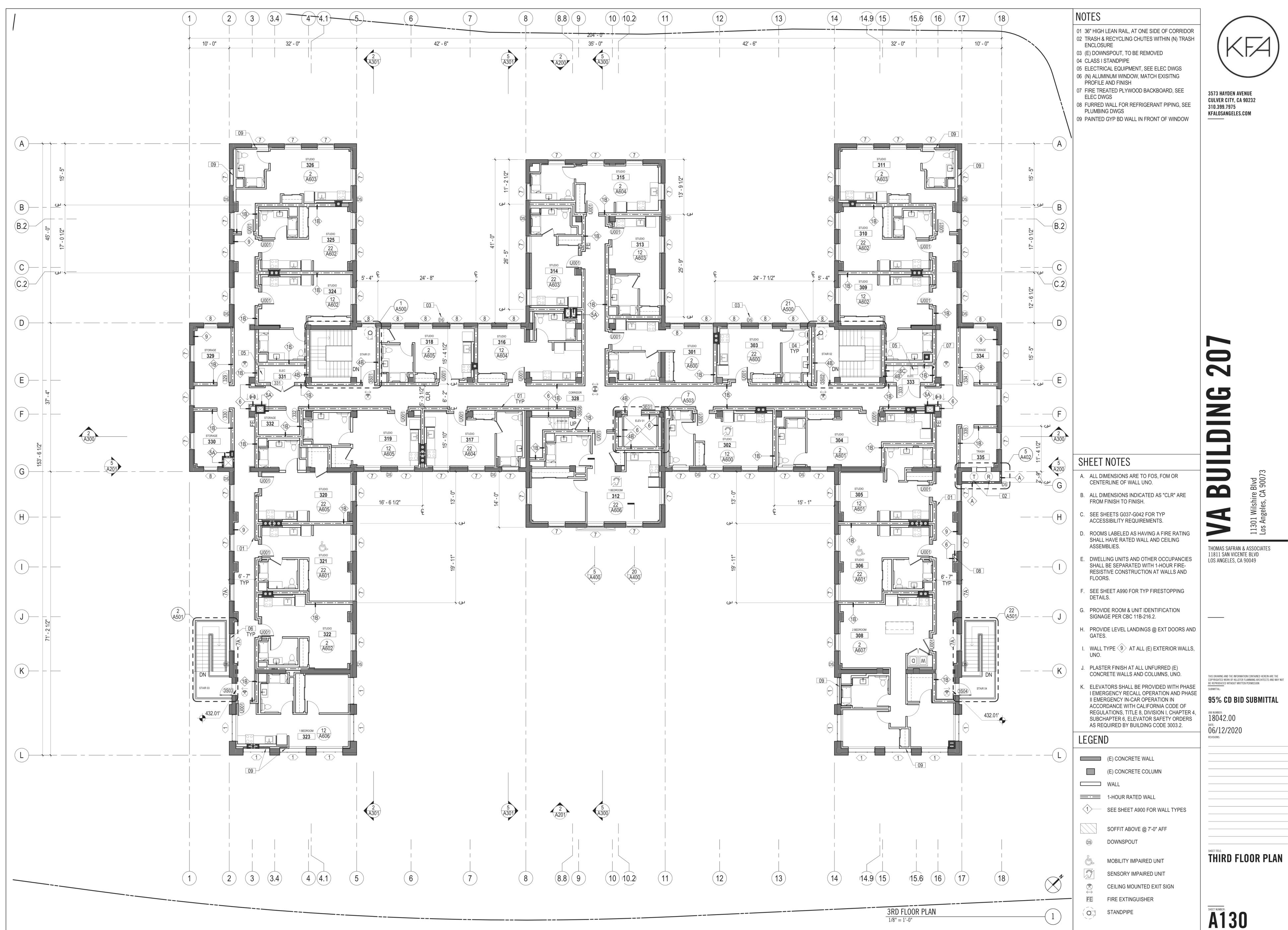


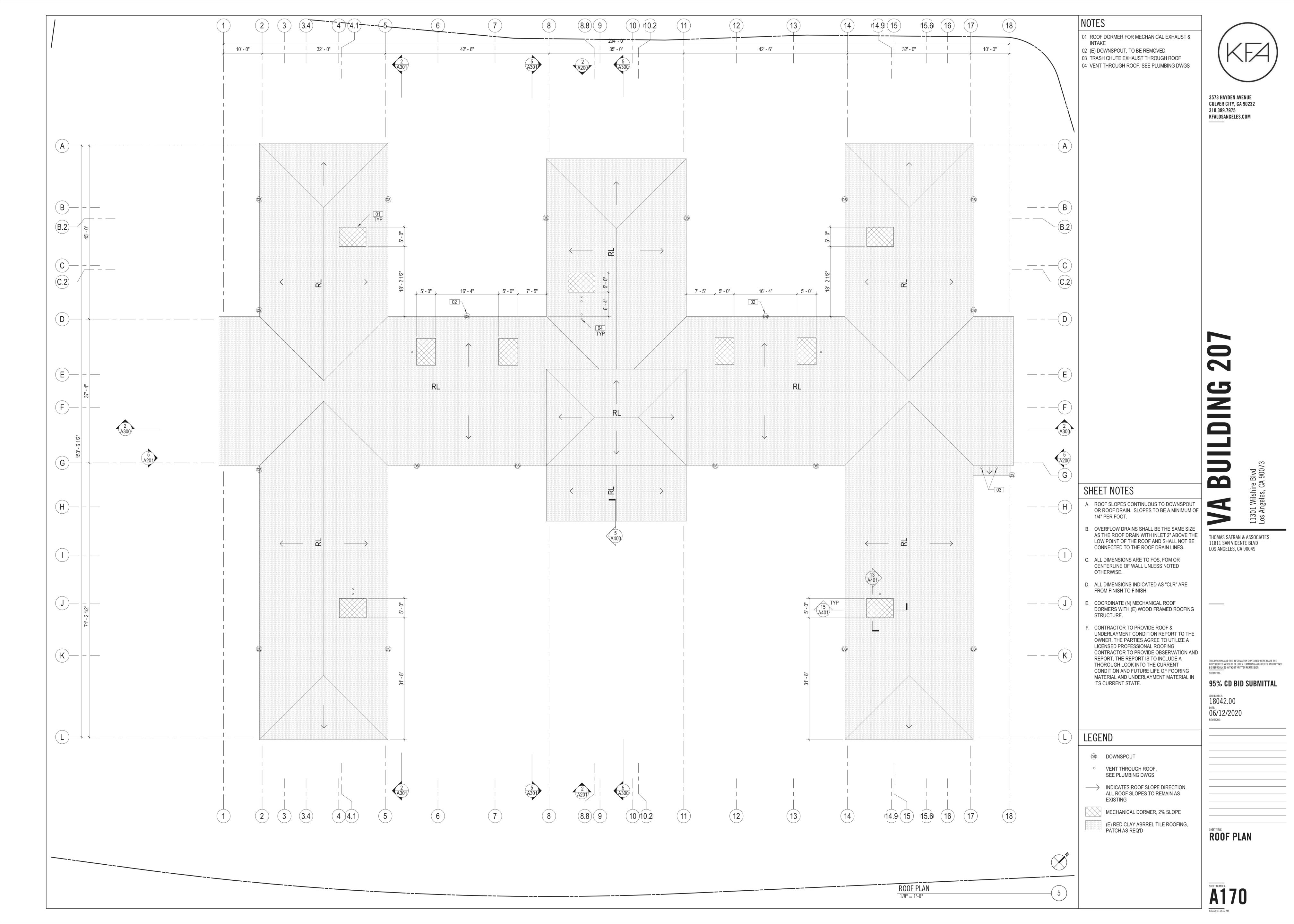


STANDPIPE











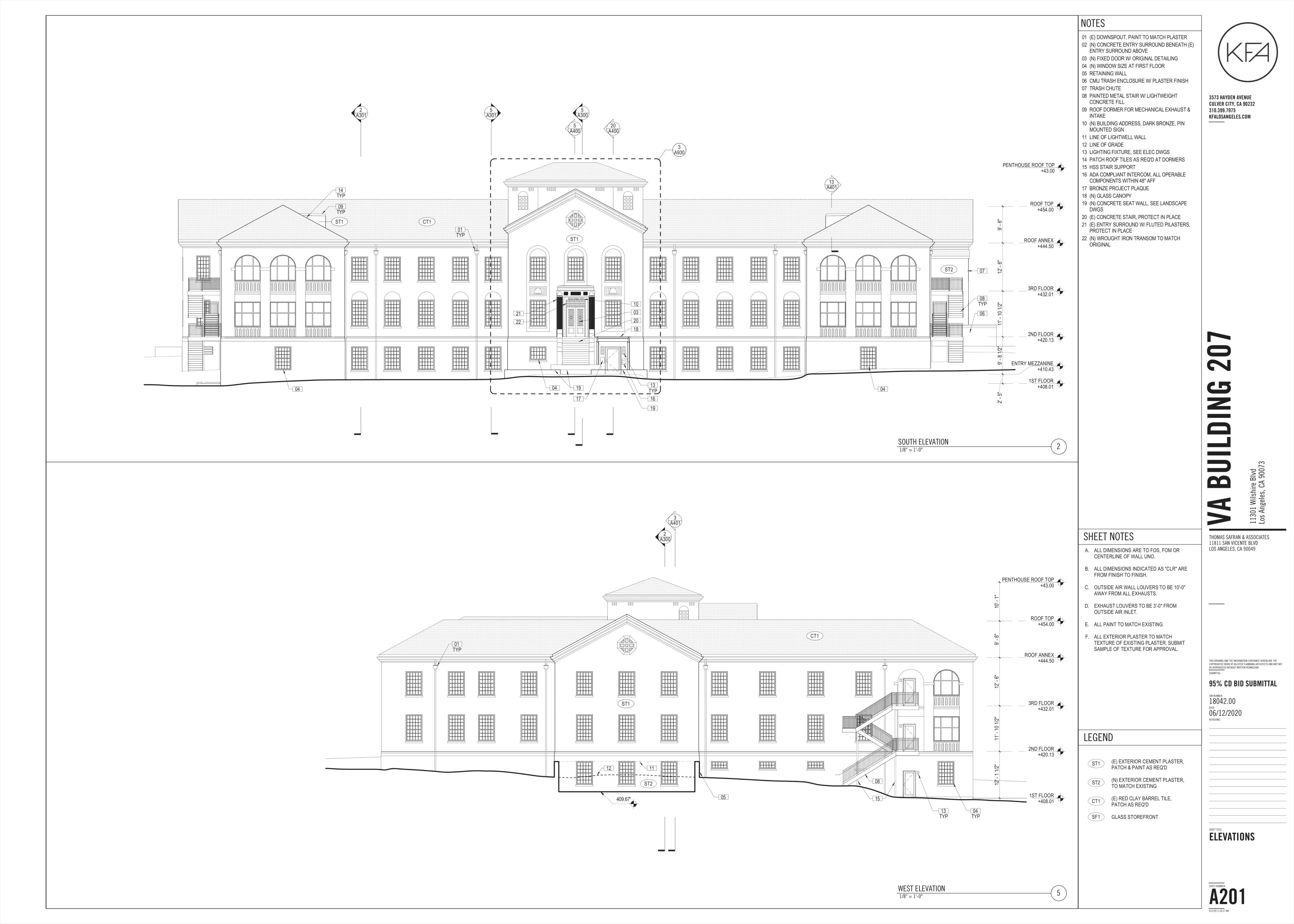


EXHIBIT "D" DEVELOPMENT PLAN

Lease Exhibit D Development Plan – Building 207

Building 207 EUL Exhibit D Development Plan

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PROJECT OVERVIEW

Thomas Safran & Associates (Lead Developer), on behalf of the West LA Veterans Collective LLC (WLAVC), is pleased to undertake the historical rehabilitation of Building 207, one of the first of many new communities that will help transform the northern portion of VA's Greater Los Angeles Healthcare System (GLAHS), West Los Angeles Campus. Building 207 is an existing three-story historic concrete structure located on the North Campus. The address is 11301 Wilshire Blvd., Los Angeles, CA 90073. Formerly the site was occupied by the Salvation Army as a transitional-living facility.

We envision a development with 59 units of permanent supportive housing (with priority given to homeless Veterans ages 62 and over), one manager's unit, a central community room, landscaped courtyard, and management offices. The front courtyard will be designed around the existing trees and be ADA accessible. Within the lobby, there will be an elevator to each level. Among the units, 53 shall be studios (approximately 425 square feet), 6 units shall be one-bedrooms (approximately 600 square feet) and one two-bedroom manager's unit (approximately 1,000 square feet). Each unit will include a refrigerator, oven, range, durable flooring, and window coverings. All units will be accessible, as required by the funding commitments from LACDA (No Place Like Home), HCIDLA (Proposition HHH) and State of California (Tax Credit Allocation Committee).

Other features of the development include approximately 20 dedicated street parking spaces, several of which will be set aside for handicapped residents, visitors, and/or staff. The project will have approximately 4,000 square feet of central community space with a TV, seating area, computer room, fitness room, central laundry facilities, onsite management offices, leasing office, and case workers' offices. Off the community room will be a well-designed private outdoor courtyard with lush landscaped areas, BBQ, and seating area. An advanced network for security cameras and access control devices will be installed to assure the building is safe for all residents. The onsite management company, Thomas Safran & Associates, Inc., will coordinate community building activities free of charge. The project will support VA's goal of creating a vibrant, accessible and welcoming community for Veterans and working to end Veteran homelessness in the Greater Los Angeles area.

KEY PROJECT ROLES AND RESPONSIBILITIES

VA Building 207 LP is the single purpose entity created to develop VA Building 207. Thomas Safran & Associates Development Inc (TSADI) will be the lead developer and Administrative General Partner (AGP). Housing Corporation of America (HCA), a 501(c)3 non-profit, will be the Managing General Partner and pursue a property tax exemption on behalf of the Partnership. The West LA Veterans Collective LLC (WLAVC), the entity selected by VA to lead the housing redevelopment on the North Campus, of which TSADI is a member, will be the co-General Partner. Specific key team members and their roles are listed below.

Tyler Monroe, Vice President of Development for TSADI. Tyler will oversee the development process and provide strategic guidance throughout the various stages.

Blake Coddington, Sr. Project Manager for TSADI. Blake is directly responsible for Building 207 with his responsibilities include preparation of funding applications, and oversite of the design and permitting process, and construction loan closing.

KFA, **Architect** – they are leading the design and coordination efforts. KFA has extensive experience in adaptive reuse in greater Los Angeles and is well suited for this development. KFA will be staffed by Monica Rodriguez, Sr. Associate, Karen Phillipe, Project Manager, and David Takisha, Design Assistant. Additional members of the design team under the oversight of KFA include:

- KPFF, Civil Engineer
- Englekirk Partners, Structural Engineer
- K2D, Mechanical, Electrical, Plumbing Engineer
- OCB, Landscape Architect
- Feffer Geological, Geotechnical Engineer
- Historic Resources Group, Historic Consultant
- Ray Lemus, TSA's Construction Manager

PROJECT TIMELINE

Please reference **Attachment A** of the Development Plan for a project timeline. A construction sequencing and mobilization plan shall be created once the construction documents have been competitively bid to at least three general contractors. It is anticipated that the construction term will take 16-18 months from Notice to Proceed. And then approximately 6 months to convert from construction to permanent financing.

TRANSACTION TERMS

Please reference **Attachment E** of the Development Plan for an organizational chart for the Lessee entity. The term of the EUL shall be 75-years as described in the EUL itself.

TARGET POPULATION

The project will target Senior Homeless Veterans. The Los Angeles Homeless Services Authority (LAHSA) count reported that in 2018 the number of homeless Veterans decreased to 3,792 (down from 4,742 in 2017) – a 25% decrease in Veteran homelessness. However, the most significant demographic change in homelessness between 2017 and 2018 was a 22% increase in the number of homeless Veterans 62 and older. And the disturbing trend is expected to continue

as senior Veterans rely more heavily on fixed income and government services. Furthermore, VA has shared that more than 60% of Veterans are between 41 and 65 years old. Our charge is to house the most vulnerable population and construct housing that enables Veterans to age in place within this new community. Senior housing in Building 207 most adequately accomplishes the goal.

SMALL BUSINESS & VETERAN HIRING PLANS

The West LA Veterans Collective, of which TSA is a member, is committed to providing our good faith efforts to maximize participation of Service-Disabled Veteran-Owned Small Businesses (SDVOSBs), Veteran-Owned Small Businesses (VOSBs), local small businesses, and other small businesses in all aspects of the VA campus development. Specifically, we will commit our good faith efforts on Building 207 to the following:

- 1. Five percent (5%) of the total dollar amount of all contractor subcontracts in connection with building trades work for the development of the housing and related infrastructure will be awarded to SDVOSBs and/or VOSBs;
- 2. Three percent (3%) of the total dollar amount of all contractor subcontracts in connection with non-building trade work will be awarded to SDVOSBs and/or VOSBs; or other disadvantaged business enterprises such as MBE/WBE;
- 3. Twenty percent (20%) of all construction hires on the project will live within a 10-mile radius of the site (Local Hire Policy);
- 4. Providing Ten (10) Pre-Apprenticeship training scholarships for local Veteran residents for each phase of development (Construction Training Scholarships);
- 5. Providing fifteen (15) Transition Job Opportunities Program (TJOP) participants with employment for each phase of development; and,
- 6. Facilitating a Youth Build Program for at least fifteen (15) local qualified youth for each phase of development. Provide \$1,000 incentive to subcontractors for each participant who maintains employment for no less than 90 days.

To assure the above hiring commitments are achieved, the Veterans Collective will:

- Hire a 3rd Party compliance firm to perform a role as Contracting and Compliance Coordinator and to facilitate the implementation of the VA's priority business contracting.
- Select a highly qualified general contractor with experience exceeding local Section 3 and diversity hiring objectives. The GC will be contractually required to provide outreach to and bidding opportunities for VOSBs, SDVOSBs, and other small businesses.
- Stipulate that the GC will be expected to advertise open employment opportunities in local publications, online and at hiring halls; and prior to hiring, the general contractor will host a job fair / hiring workshop where it will present the requirements to all existing and prospective subcontractors and workers.

• Partner with local SDVOSBs and VOSBs associations, Veterans service organizations and other entities that can refer qualified persons to meet the hiring targets.

BUILDING RENOVATION AND ENTITLEMENTS

TSA understands the structure is a contributing resource to the National Register listed as the West Los Angeles Veteran Affairs Historic District and that there is a signed "Programmatic Agreement among the United States Department of Veterans Affairs, The California State Historic Preservation Officer and Thomas Safran & Associates Regarding the Rehabilitation of Building 207 of the West Los Angeles Campus of the Veterans Affairs Greater Los Angeles Healthcare System" (dated April 23, 2019). TSA shall hire an experienced and qualified team of design and preservation consultants to assure the character of the building is upheld. Our consultants will provide technical assistance and any required environmental reviews to assist TSA with design of the project. Specifically, they will do the following:

- 1. Identify important character-defining features of Building 207 that justify its status as a contributor to the Historic District.
- 2. Provide technical analysis of potential impacts/adverse effects under the California Environmental Quality Act (CEQA) and the National Environmental Protection Act (NEPA).
- 3. Provide documentation to facilitate VA's consultation with the State Historic Preservation Office (SHPO) in compliance with Section 106 of the National Historic Preservation Act (NHPA).

Furthermore, the development team shall assess the structural condition of the building and conduct a seismic retrofit to comply with the City of Los Angeles Ordinance 183893.

The County of Los Angeles' Department of Regional Planning issued a letter dated March 12, 2019 noting that while the relevant parcels are zoned open space by the County, neither the County's zoning regulations nor the County's land use regulations are applicable. However, the County has agreed to serve as plan check approver, provide the permits, and undertake the ongoing inspections.

The project also received a CEQA exemption for Building 207 and the NEPA Finding of No Significant Impact (FONSI) was signed by VA in April 2019.

DEVELOPMENT AND CONSTRUCTION MANAGEMENT PLAN

Thomas Safran & Associates Development Inc. will assign one of its in-house Project Managers to oversee the schedule, budget and quality. Working in parallel with the Project Manager and overseeing the daily construction activity, will be an in-house construction manager (name listed above). This individual will review the GC construction agreement, attend weekly meetings, provide constructability reviews, and assure the project is delivered at the highest quality.

UTILITIES

The utilities plan for this project is as follows. The Lessee will incur all of the cost of accessing these services and maintaining the connections to these services:

Utilities

Utility	Provider	Connection Details
Potable Water	Los Angeles Department of Water and Power (LADWP)	 The Lessee will replace the domestic water lateral connected to the east of the building entrance, located in the parkway. The domestic water system is a private system and therefore exempt from any agency individual connection fees.
Sanitary Sewer	LA Sanitation & Environment (LASAN)	 Lessee will replace laterals to tap into the existing sewer manhole within the Lessee property that connects to the main sewer line. For Building 207, a new lateral would be extended from the southern side of the building to the main beneath Nimitz Avenue that may include a corrective action to upgrade to this sewer main. The new laterals and main segment would be installed within the existing underground sanitary sewer utility corridors in accordance with the April 2019 Environmental Assessment. The sanitary sewer system is a private system and therefore exempt from any agency individual connection fees.
Electricity	Southern California Edison (SCE)	Building 207 will connect directly to a new SCE power source along the Bonsall Avenue trunk line.
Natural Gas	Southern California Gas Company	Lessee will provide connection to new gas service. The new gas connection will originate from Bringham Avenue at the West side of the campus and head Eastward along Pershing and connect with the Bonsall Avenue trunk line. Gas service will branch off the Bonsall trunk line towards each EUL.
Storm Drain	City of Los Angeles	 Lessee will provide new catch basins and trench drains in addition to replacing laterals connecting to existing storm drain manholes ultimately connecting to the main line. The storm drain system is a private system and therefore exempt from any agency individual connection fees.

Utility	Provider	Connection Details
Telecommunications (internet & phone)	[Frontier]	 Lessee will arrange for the direct provision of and billing of data and phone service from Frontier for its residential development and associated internet and phone needs.
Cable TV	Spectrum	 Lessee will arrange for the direct provision of and billing for cable service from [Spectrum] for its residential development.

PROJECT FINANCING

The Project will secure construction and permanent financing from a variety of sources. The sources include Tax-Exempt Bonds, a Construction/Permanent Loan, and 4% Low Income Housing Tax Credit Equity. In addition, the project received enforceable funding commitments from LACDA for No Place Like Home and HUD-VASH and the City of Los Angeles for Proposition HHH.

The city of Los Angeles will be the bond issuer for short term tax-exempt housing revenue bonds (the "Bonds"). The Bonds will be issued for the construction phase approximately \$17,000,000 with a floating interest rate equal to the sum of the 30-Day LIBOR Floating Index Rate plus a spread of 165-200 bps. Funding of the loan will be made on a "draw-down" basis.

The Loan will be secured by a first-priority deed of trust on the underlying real estate defined as "Property" in the Lease, and further secured by assignments of rents, tax credits, and partnership interests, as well as assignments of the general contractor's contract, the architect's contract, and the plans and specifications. The Loan will be recourse until construction completion, with repayment guarantees to expire at that time.

Issuance of the requested bonds, closing of the Loan, and "sale" of tax credits to the tax credit investor will take place concurrently. Pending the approval of this Supplemental Bond Allocation in March 2020, the concurrent closings are scheduled to occur in 3Q 2020. Conditions to closing are standard in the industry, with key conditions precedent including items such as approval of environmental reports, appraisal, clean title, insurance, legal opinions, and building permits. Allocation of tax-exempt bond authority and reservation of federal 4% low income housing tax credits are also conditions precedent to closing of the Loan and sale of the bonds.

Below is a summary of the sources of funds committed to the project, which are subject to change until the lenders and investors approve the final budget and the AIA agreement is executed with the general contractor prior to closing. Additional and specific information for the project financing and budget may be found in Attachment B - Development Budget, Attachment C - 75 Year Cash Flow, and Attachment D - Supportive Services Budget.

1. Loan – Proposition HHH Funds

• The proceeds from Proposition HHH, distributed by HCIDLA, will be issued as a soft loan in the amount of \$8,260,000.

- The loan terms include a 3% simple interest rate, 55-year term, with interest and principal payable only from residual cash flow.
- Unpaid interest and principal will be deferred until maturity.
- Closing is expected to be contemporaneous with all other sources of funds.

2. Loan – LACDA No Place Like Home (NPLH)

- The proceeds from NPLH, distributed by LACDA, will be committed as a soft loan in the amount of \$5,750,000.
- The loan terms include a 0% simple interest rate, 57-year term, with interest and principal payable only from residual cash flow.
- Unpaid interest and principal will be deferred until maturity.
- Closing is expected to be contemporaneous with all other sources of funds.

3. HUD-VASH Vouchers – LACDA

 59 project-based vouchers were awarded to fund rent and supportive services for the homeless Veterans.

4. Loan - Conventional Permanent Loan

- The project will also receive a \$5,900,000 permanent loan from California Community Reinvestment Corporation (CCRC). The underwritten and assumed loan terms include a 4.99% interest rate, 18-year term and 35-year amortization period, but actual loan amount is subject to change until construction loan closing. The loan is supported by net operating income from the project.
- Additional revenue to support a larger permanent loan shall be generated from a commitment of 59 HUD-VASH vouchers. The term will be 20 years. A commitment of HUD-VASH was received in October 2019.

5. Land Contribution

- The land is owned by the Federal government.
- Annual ground lease payment of \$1.

6. Low Income Housing Tax Credit Equity

- Construction and permanent equity financing will be obtained from the "sale" of federal 4% Low Income Housing Tax Credits (LIHTCs) to an institutional tax credit investor, pursuant to a standard partnership agreement whereby the investor will become the equity limited partner of the Sponsor.
- A portion of the equity shall be drawn during construction and the remainder used as a permanent source at conversion to pay off the construction financing.

7. Loan - Deferred Developer Fee

 Thomas Safran & Associates Development, Inc., will accept deferred payment of a developer fee during both the construction and permanent phases, as necessary, to provide cushion for any financing gap and to conform to standard lender and investor holdback requirements.

 To the extent developer fee remains unpaid post-completion, ultimate repayment will be made from the Project's residual cash flow, pursuant to a typical residual receipts promissory note to be executed prior to completion of construction.

PROJECT OPERATIONS & TENANT SELECTION

A detailed narrative on the Operations and Maintenance, Tenant Selection and Marketing Plan have been developed with collaboration from VA. Please reference these documents in Exhibit E and Exhibit F of the EUL, respectively.

A brief summary of proposed security and emergency services provision is provided below with more detail included in the above-referenced Exhibits E and F of the EUL.

- Emergency Services:
 - O Police LA County Sheriff's Office is authorized to serve in unincorporated LA County areas not covered by LAPD, like West LA VA campus. However, the station is located approximately 20 minutes from the campus. In the event of an emergency, VA's security team and/or the Los Angeles Police Department (LAPD) may respond to hold the scene until authorized officials arrive.
 - o Fire LA City Fire Department is authorized agency to serve the building.
 - Ambulance Emergency 911 calls are directed to LA County Sheriff station in West Hollywood. Requests for ambulance are routed from County Sherriff to LA County Fire. County Fire will then dispatch an ambulance the property. County Fire most commonly uses a McCormick Ambulance for its calls, but this is subject to availability.

ENERGY CONSERVATION & SUSTAINABLE DESIGN

Building 207 shall be renovated using a variety of sustainable building features including, but not limited to, resilient flooring, energy star appliances, water efficient fixtures, capture and infiltration of rainwater to replenish the groundwater. High efficiency HVAC equipment, rigid insulation and insulating window film shall be used on the interiors to enhance overall efficiency and performance. TSA shall hire a green building and energy consultant to manage the implementation of the energy features and submit all documentation to the U.S. Green Building Council (USGBC) to achieve at least a LEED Gold or equivalent certification.

LIST OF ATTACHMENTS TO DEVELOPMENT PLAN

The following are additional reference documents cited in the Development Plan narrative above:

Attachment A – EUL Project Timeline

Attachment B – Development Budget

Attachment C – Pro Forma including 75 Year Cash Flow Analysis

Attachment D - Supportive Services Budget

Attachment E – Organizational Chart of Lessee Entity

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Execute EUL with extended time to close (Article 22)	┚┖					_																											
Amend and Execute EUL per Lender & Investor Requirements	┚┖										\perp																						
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<u>Financing</u>																																	
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Apply for and Receive VASH vouchers (through HACLA or HACOLA)	┚										$\Box \Gamma$								T														
Apply & receive award for LACDC No Place Like Home (NPLH) Funds	⅃匚										\Box T					\Box			\Box														
Bond Inducement (60 days before application)	1 🗆					Т					Т		\top			\neg			\neg			\top									\neg	\Box	
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Receive CDLAC Tax Exempt Bond award	1					\top					\neg					\neg	\neg		\neg			\top									\neg	\neg	
Select Debt and Equity Provider	11					\top					\neg	\neg				\neg			\neg			\top									\neg	\neg	
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Schematic Design & Definition of Building Program	11		\neg	\neg	\neg	T		\Box	\neg		十	\neg			\neg	\neg	\neg	\neg	\neg		\neg	\top								\neg	\neg	\neg	
Design Development	11					\top			\neg		\neg				\neg	\neg	\neg	\neg	\neg	\neg	\neg	\top									\neg	\neg	
Housing - Construction Documents	1		\neg	\neg		\top			\neg		\neg	\neg	\top		\neg	\neg	\neg	\neg	\neg	\neg	\neg	\top							\neg	\neg	\neg	\neg	
Housing - Submit to LA County Plan Check / Receive Permits	1 🗀								\neg		\neg	\neg	\top		\neg	\neg	\neg	\neg	\neg		\neg	\top									\neg	\neg	
Infrastructure - Submit plans to LA County Plan Check / Cal Trans / City	1 🗀		\neg	\neg	\neg	-			\neg		\neg				\neg	\neg	\neg	\neg	\neg		\neg	\top							\neg		\neg	\neg	
Infrastructure - Bidding & Procurement of GC	11								\neg		\neg	\neg			\neg	\neg	\neg	\neg	\neg	\neg	\neg	\top							\neg	\neg	\neg	\neg	
Infrastructure - Obtain Permit & Start Work	11	-	\neg	$\overline{}$	\top	-		П	\neg		\dashv	\neg	\top		\neg	\neg	\neg	\neg	\neg	\dashv	\neg	\top							\neg	\neg	\neg	\neg	
Housing - Send out GC Bid Package / Obtain Bids	11	$\overline{}$					-	\Box			\dashv	\neg	\top		\neg	\neg	\neg	\neg	\neg	\neg	\neg	\top							\neg	\neg	\neg	\neg	
Housing - Negotiate Construction Contract	11			-	-				\neg		\dashv	\neg	\top		\neg	\neg	\neg	\neg	\neg	\neg	\top	\top								\neg	\neg	\neg	
Housing - Obtain Building Permit	11—			\neg	-	$\overline{}$	-		\neg		\dashv	\neg	+		\neg	\neg	\neg	\neg	\neg	-	-	\top								\neg	\neg	\neg	_
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Construction	11—		\dashv	-	+	-			\neg	-	\dashv	-	+		\neg	\neg	\neg	\neg	\neg	\neg	\top	+							\neg	\neg	\neg	\neg	_
Due Diligence (System Analysis, Needs Assessment, Costing)	11		\neg	-	\top	${}^{+}$		\Box	\neg		\dashv	\neg	\top	\Box	\neg	\neg	\neg	\neg	\neg		\top	\top							\neg	\neg	\neg	\neg	_
Infrastructure - Begin Trunk Line Construction	11—	+	\neg	-	-	-												\neg	\neg	-	\top	\top							\neg	\neg	\neg	\neg	
Housing - Begin Construction (NTP, Abatement, Demo)	11—	+	\neg	-	+	+		ш	\neg		\neg	_	_		$\overline{}$	\neg													\neg	\neg	\neg	\neg	
Infrastructure - Utility Companies pull and connect new services	11—	+	\dashv	-	+	-		\Box			\neg	$\overline{}$	-		$\overline{}$	_	\neg			\neg	$\overline{}$	_							\neg	\neg	\neg	\neg	_
B205/208 - Placed in Service	11	1	\vdash	\dashv	\top	\top		\vdash	\dashv	\dashv	\dashv	-			\dashv	-1				\dashv	\dashv	+	+					\vdash	\dashv	\dashv	\dashv	\rightarrow	_
Housing - Marketing & Tenant Selection	11	1	\vdash	+	+	1		\vdash	-	-	\dashv	-			\dashv	\dashv	\dashv	$\overline{}$	\dashv	\dashv								\vdash	\dashv	\rightarrow	\dashv	\rightarrow	_
Housing - Substantial Completion / Building Placed in Service / TCO	11	1	\vdash	+	+	+		\vdash	-	-	+	-	+		\dashv	\dashv	\dashv	$\overline{}$	\dashv	\dashv									\dashv	\rightarrow	\dashv	\rightarrow	_
100% Occupancy	11	1	\vdash	+	+	+		\vdash	-	-	+	-	+		\dashv	\dashv	\dashv	$\overline{}$	\dashv	\dashv	+	+	+							\dashv	\dashv	\rightarrow	_
Stabilization / Perm Loan Conversion	11—	+	\vdash	-	+	+		\vdash			+	-	+	\vdash	\dashv	\dashv	\dashv	$\overline{}$	\dashv	\dashv	+	+	+										
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VA Building 207 - Projections 10/16/20

Sources & Uses

Sources	Construction	Conversion	Permanent
Tax Exempt Construction Loan	17,000,000	(17,000,000)	-
Taxable Construction Loan	-	-	-
Perm Loan	-	6,385,298	6,385,298
Perm Loan 2	-	-	-
Perm Loan 3	-	-	-
HCIDLA HHH funds	7,264,730	995,271	8,260,000
No Place Like Home	5,700,000	50,000	5,750,000
Deferred Reserves	556,540	(556,540)	-
Soft Loan 4	-	-	-
Soft Loan 5	-	-	-
Soft Loan 6	-	-	-
Soft Loan 7	-	-	-
Soft Loan 8	-	-	-
Deferred Interest on Soft Loans	-	-	-
Deferred Developer Fee Loan	2,100,000	1,156,264	1,156,264
Cash Flow From Operations	-	-	-
Other Sources		-	
Other Sources	-	-	-
Deferred Costs		-	-
LP Equity	1,000,000	10,899,708	12,069,707
Total Sources	33,621,269	1,930,001	33,621,269
Uses	Construction	Conversion	Permanent
Acquisition Costs	-	-	-
Construction Costs	25,798,517	_	25,798,517
Architecture & Engineering	1,609,595	_	1,609,595
Government Fees	211,308	_	211,308
Financing Costs	1,735,420	_	1,735,420
Other Soft Costs	1,209,889	_	1,209,889
Reserves	556,540	-	556,540
Cash Developer Fee	400,000	723,737	1,343,736
Deferred Developer Fee	2,100,000	1,156,264	1,156,264
Total Uses	33,621,269	1,880,001	33,621,269
2	(6)	50.000	
Surplus / (Gap)	(0)	50,000	0

LP Equity Pay-In		Pay-In Schedule		1
	Date	%	\$	1
Initial Capital Contr. / Begin Constr.	11/1/20	6.63%	800,000	6.67%
Construction Pmt 75% Complete	11/30/21	0.00%	0	
Construction Pmt C of O / PIS	8/31/22	0.00%	0	
Construction Completion	8/31/22	1.66%	200,000	1.67%
Perm Loan Conversion	5/1/23	90.31%	10,899,708	
8609	9/1/23	1.41%	169,999	1.00%
IRS Forms 8609/ K1	9/1/23	0.00%		0.42%
Total LP Equity		100.00%	12,069,707]
		0.00%	0	•

Developer Fee Payout		Payout Schedule	
	Date	%	\$
Initial Capital Contr. / Begin Constr.	11/1/20	16.00%	400,000
Construction Pmt 75% Complete	11/30/21	0.00%	0
Construction Pmt C of O / PIS	8/31/22	0.00%	0
Construction Completion	8/31/22	0.00%	0
Perm Loan Conversion	5/1/23	28.95%	723,737
8609	5/1/23	6.80%	169,999
Receipt of Tax Return	5/1/23	0.41%	50,000
Deferred Developer Fee	9/1/23	46.25%	1,156,264
Total Developer Fee		98.41%	2,500,000
		-1.59%	0

VA Building 207 - Projections 10/16/20 Development Budget & Cost Allocations												
-		Total Development	Land & Offsite	Commercial	Residential	Depreciable C	Costs	Amortized	Expensed	Other Non- Deductible	Eligibl Rehab or	e Basis
		Costs	Costs	Costs	Building	Work	FF&E	Costs	Costs	Costs	New Const.	Acquisition
Acquisition Costs				0.00%								
Land Acquisition Costs	1	0	0	0								
Other Land / Ineligible Acq. Costs Other Land / Ineligible Acq. Costs			0									
Bldg. Acquisition (4% Acq/Rehab)	0	0			0							0
Other Eligible Acq. Costs (4% Acq/Rehab)					0							0
Other Eligible Acq. Costs (4% Acq/Rehab) Total Acquisition Costs		0	0	0	0	0	0	0	0	0	0	0
General Contractor Costs Sitework and Utilities (Interior Demo & Abateme	nt 558,882	558,882		0		558,882	0				558,882	
Off Site Work	638,115	638,115		0		0			638,115		0	
Landscape, Hardscape, Site Work Grading, Excavation, Shoring	1,557,134 337,213	1,557,134 337,213		0		1,557,134 337,213					1,557,134 337,213	
Structures: Residential Space	16,095,419	16,095,419		0		337,213					16,095,419	
Structures: Non-Residential		0		0	0						0	
General Conditions Contractor Overhead & Profit		1,171,928 1,513,740		0 0	1,171,928 1,513,740						1,171,928 1,513,740	
Contractor Contingency		345,362		0							345,362	
Contractor Insurance		277,722		0	277,722						277,722	
P&P Bond Premium Total General Contractor Costs		191,212 22,686,727	0	0		2,453,229	0	0	638,115	0	191,212 22,048,612	0
		22,000,121		_	10,000,000	2,111,222					,-,-,-,-	
Other Hard Costs Hard Cost Contingency on GC Costs	12.50%	2,835,841		0	2,835,841						2,835,841	
Project Labor Agreement (PLA) Administration	0.00%	2,635,641		,	2,000,041						2,035,041	
Other Site Work, Utilities, etc.						0					0	
Hard Cost Contingency on Other Hard Costs Common Area FF&E	0.00%	0 88,733			0		88,733				0 88,733	
Homeless Unit FF&E		154,200					154,200				154,200	
Master Plan - Reimbursables to WLAC		33,016			_						0	
Pre Construction Services Total Other Hard Costs		3,111,790	0	0	2,835,841	0	242,933	0	0	0	3,078,774	0
Total Construction Costs		25,798,517	0	0		2,453,229	242,933	0	638,115	0		0
Architecture & Engineering												
Architectural Design & Supervision		625,000		0	625,000						625,000	
Sustainable Development, LEED Consulting Landscape Architect Design & Supervision	238,895	30,000 238,095		0							30,000 238,095	
MEP Engineering	200,000	200,800		ő							200,800	
Structural Engineering		180,000		0							180,000	
Civil Engineering Interior Design		155,700 30,000		0	155,700 30,000						155,700 30,000	
Construction Management		135,000		0							135,000	
Other A&E		15,000	0	0		0	0	0	0		15,000	0
Total Architecture & Engineering		1,609,595	U	0	1,609,595	0	U	0	0	0	1,609,595	0
Government Fees Entitlement Processing				0							0	
Plan Check, Building Permits				0							0	
Impact Fees, School Fees		211,308		0							211,308	
Utility Service, Utility Reloction and Other Fees Total Government Fees		211,308	0	0		0	0	0	0	0	211,308	0
Financing Costs												
Acquisition Loan: Loan Fees				0	0						0	
Acquisition Loan: Legal Fees				0							0	
Acquisition Loan: Title & Recording Acquisition Loan: Other				0 0							0	
Acquisition Loan: Interest Expense				0	0						0	
Construction Loan: Loan Fees		170,000		0	170,000						170,000	
Construction Loan: Legal Fees Construction Loan: Title & Recording		40,000		0	40,000						40,000	
Construction Loan: Other				0	0						0	
Construction Loan: Interest Expense Deferred Interest on Soft Loans	1,020,000 184,672	1,020,000 184,672		0	510,000 184,672				510,000		510,000 184,672	
Permanent Loans: Loan Fees	63,853	63,853		0	104,072			0	63,853		104,072	
Permanent Loans: Legal Fees		25,000						0	25,000		0	
Permanent Loans: Title & Recording Permanent Loans: Other		10,000 3,750						0 3,750	10,000		0	
Permanent Loans: HUD Application Fee		3,730						0			0	
Permanent Loans: HUD Processing Fee								0			0	
Permanent Loans: MIP Bond Costs of Issuance: TEFRA		2,500						0	2,500		0	
Bond Costs of Issuance: Underwriting Fee								0			0	
Bond Costs of Issuance: Bond Issuer Fee Bond Costs of Issuance: Issuer Fees	42,117	42,500		0				0	42,500		0	
Bond Costs of Issuance: Issuer Fees Bond Costs of Issuance: Trustee Fees		4,000						0	4,000		0	
Bond Costs of Issuance: Fnc'l Advisor Fees		35,000						0	35,000		0	
Bond Costs of Issuance: Rating Agency Fees Bond Costs of Issuance: Legal Fees		58,000						0	58,000		0	
Bond Costs of Issuance: CDLAC Fees		5,950						0	5,950		0	
Bond Costs of Issuance: CDIAC Fee		4,250						4,250		07.000	0	
Predevelopment Loan Interest WLAC Predevelopment Loan Interest		27,220						0		27,220	0	
Tax Credit Fees		38,725	_		004.070			0	38,725	07.00		_
Total Financing Costs		1,735,420	0	0	904,672	0	0	8,000	795,528	27,220	904,672	0
Other Soft Costs Real Estate Taxes		15,000		0	15,000						15,000	
Builder's Risk & OCP Insurance		299,675		0							299,675	
Financial Consultant Fees		50,000		0	50,000						50,000	
Legal - Transactional Legal - Land Use		50,000 50,000		0	50,000			25,000	25,000		0 50,000	
Accounting & Audit		25,000		0				25,000			50,000	
Printing, Shipping and other reimb		3,000			3,000						3,000	
Structural Surveying Appraisal		101,935 15,000		0							101,935 15,000	
Market Study		10,000		0							10,000	
Waterproofing Consultant		38,670		0	13,670				25,000		13,670	
Environmental Reports Soils Reports + Geotech Inspections		14,200 15,000		0 0							14,200 15,000	
ALTA Survey		15,000		0	15,000						15,000	
Historic Consultant		29,000		0	29,000						29,000	
Phase I		3,000		0	3,000	ı İ					3,000	l

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Deputy Inspections	117,518		0	117,518						117,518	
Application Fees			0	0						0	
CASp Consultant			0	0						0	
Application Fees							0				
Lease up and Marketing	70,528						70,528				
Lease up Fee							0				
Syndication Costs: Legal	50,000								50,000		
Syndication Costs: Other									0		
Soft Cost Contingency	237,363		0	237,363					0	237,363	
Total Other Soft Costs	1,209,889	0	0	989,361	0	0	120,528	50,000	50,000	989,361	0
Reserves											
Replacement Reserve									0		
Operating Reserve 231,800	231,800								231,800		
NPLH F.O.R.	324,740								324,740		
Other Reserve #2									0		
Total Reserves	556,540	0	0	0	0	0	0	0	556,540	0	0
Developer Fee 2,500,000	2,500,000		0	2,500,000						2,500,000	0
TOTAL DEVELOPMENT COSTS	33,621,269	0	0	28,646,161	2,453,229	242,933	128,528	1,483,643	633,760	31,342,323	0

Prior Version Total Dev. Costs											
This Pro Forma vs. Prior Version	33,621,269	0	0	28,646,161	2,453,229	242,933	128,528	1,483,643	633,760	31,342,323	0

VA Building 207 - Projections 10/16/20 Net Operating Income, Cash Flow & Taxable Income / (Loss)

	[Base Year	Aug-Dec 2022	2 2023	3 2024	4 2025	5 2026	6 2027	7 2028	8 2029	9 2030	10 2031	11 2032	12 2033	13 2034	14 2035	15 2036	16 2037
NOI & Residual Cash Flow		Tear	2022	2023	2024	2025	2020	2021	2020	2029	2030	2031	2032	2033	2034	2035	2036	2037
Pro Rate Year 1-2 Inflator?	V	- 1							- 1								- 1	
	Yes						450 505				=00.400		==					
	2.50%	421,452	88,695	425,842	436,488	447,400	458,585	470,050	481,801	493,846	506,192	518,847	531,818	545,114	558,742	572,710	587,028	601,704
	2.50%	657,480	138,368	664,329	680,937	697,960	715,409	733,295	751,627	770,418	789,678	809,420	829,656	850,397	871,657	893,448	915,785	938,679
	2.50%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	2.50%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	2.50%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	2.50%	3,600	758	3,638	3,728	3,822	3,917	4,015	4,115	4,218	4,324	4,432	4,543	4,656	4,773	4,892	5,014	5,140
Vacancy/Loss - Restricted	- 1	(42,145)	(8,870)	(42,584)	(43,649)	(44,740)	(45,859)	(47,005)	(48,180)	(49,385)	(50,619)	(51,885)	(53,182)	(54,511)	(55,874)	(57,271)	(58,703)	(60,170)
Vacancy/Loss - Sect. 8 Increment	- 1	(65,748)	(13,837)	(66,433)	(68,094)	(69,796)	(71,541)	(73,329)	(75,163)	(77,042)	(78,968)	(80,942)	(82,966)	(85,040)	(87,166)	(89,345)	(91,578)	(93,868)
Vacancy/Loss - Other Subsidy	- 1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Vacancy/Loss - Commercial	- 1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Vacancy/Loss - Manager	- 1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Vacancy/Loss - Other Income		(180)	(38)	(182)	(186)	(191)	(196)	(201)	(206)	(211)	(216)	(222)	(227)	(233)	(239)	(245)	(251)	(257)
Effective Gross Income		974,459	205,077	984,609	1,009,225	1,034,455	1,060,317	1,086,825	1,113,995	1,141,845	1,170,391	1,199,651	1,229,642	1,260,383	1,291,893	1,324,190	1,357,295	1,391,227
Operating Expenses @ \$9,818		(589,073)	(231,392)	(585,348)	(605,236)	(625,808)	(647,090)	(669,106)	(691,881)	(715,441)	(739,815)	(765,029)	(791,113)	(818,098)	(846,014)	(874,894)	(904,771)	(935,679)
Net Operating Income		385,385	(26,315)	399,261	403,989	408,647	413,227	417,719	422,114	426,404	430,577	434,622	438,529	442,285	445,879	449,296	452,524	455,548
	- 1	- 1							- 1								- 1	
Perm Loan 1 Debt Service - Perm Loan	- 1	(314,905)	0	(314,905)	(314,905)	(314,905)	(314,905)	(314,905)	(314,905)	(314,905)	(314,905)	(314,905)	(314,905)	(314,905)	(314,905)	(314,905)	(314,905)	(314,905)
Perm Loan 2 Debt Service - Perm Loan 2	- 1	0	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Perm Loan 3 Debt Service - Perm Loan 3	- 1	0	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Replacement Reserve Deposits @ \$387 / Year	- 1	(23,220)	(9.675)	(23,510)	(24,216)	(24,942)	(25,690)	(26,461)	(27,255)	(28,072)	(28,915)	(29,782)	(30,676)	(31,596)	(32,544)	(33,520)	(34,526)	(35,561)
Operating Reserve Deposits	- 1	1	0	0) o'	` o′	0	` o'	` o'	, , ,) o	0	` o′	0	0	o l	` o'	, , ,
Operating Reserve Withdrawals	- 1	- 1	35,990	0	0	0	0	o l	ol	0	0	0	0	0	0	0	0	0
Lease up and Marketing	- 1	- 1			- 1			-	- 1		_					- 1	- 1	
Residual Cash Flow		47,261	0	60,846	64,869	68,800	72,631	76,353	79,955	83,426	86,757	89,935	92,949	95,785	98,430	100,872	103,094	105,082
	- 1	, i					,	.,	,,,,,,								, ,	
DSCR - Perm Loan 1		1.15	0.00	1.19	1.21	1.22	1.23	1.24	1.25	1.26	1.28	1.29	1.30	1.30	1.31	1.32	1.33	1.33
DSCR - Perm Loans 1+2	- 1	1.15	0.00	1,19	1,21	1.22	1.23	1.24	1.25	1.26	1.28	1.29	1.30	1.30	1.31	1.32	1,33	1.33
DSCR - Perm Loans 1+2+3		1.15	0.00	1.19	1.21	1.22	1.23	1.24	1.25	1.26	1.28	1.29	1.30	1.30	1.31	1.32	1.33	1.33
Cash Flow as Percentage of EGI		5%	0%	6%	6%	7%	7%	7%	7%	7%	7%	7%	8%	8%	8%	8%	8%	

	Base	Aug-Dec	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
	Year	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Vacancy/Loss Assumptions																	
Vacancy/Loss % - Restricted	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Vacancy/Loss % - Sect. 8 Increment	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Vacancy/Loss % - Other Subsidy	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Vacancy/Loss % - Commercial	10.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Vacancy/Loss % - Manager	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Vacancy/Loss % - Other Income	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%

17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36
2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057
616,746	632,165	647,969	664,168	680,773	697,792	715,237	733,118	751,446	770,232	789,487	809,225	829,455	850,192	871,446	893,233	915,563	938,453	961,914	985,962
962,146	986,200	1,010,855	1,036,126	1,062,029	1,088,580	1,115,795	1,143,689	1,172,282	1,201,589	1,231,628	1,262,419	1,293,980	1,326,329	1,359,487	1,393,474	1,428,311	1,464,019	1,500,620	1,538,135
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ő	ő	ő	ől	ŏl	ő	ő	ő	Ö	Ö	ő	ő	ő	0	0	ő	0	ő	0	ا ة
5,268	5,400	5,535	5,673	5,815	5,960	6,109	6,262	6,419	6,579	6,744	6,912	7,085	7,262	7,444	7,630	7,821	8,016	8,217	8,422
(61,675)	(63,217)	(64,797)	(66,417)	(68,077)	(69,779)	(71,524)	(73,312)	(75,145)	(77,023)	(78,949)	(80,922)	(82,946)	(85,019)	(87,145)	(89,323)	(91,556)	(93,845)	(96,191)	(98,596)
(96,215)	(98,620)	(101,085)	(103,613)	(106,203)	(108,858)	(111,579)	(114,369)	(117,228)	(120,159)	(123,163)	(126,242)	(129,398)	(132,633)	(135,949)	(139,347)	(142,831)	(146,402)	(150,062)	(153,814)
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
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(263)	(270)	(277)	(284)	(291)	(298)	(305)	(313)	(321)	(329)	(337)	(346)	(354)	(363)	(372)	(381)	(391)	(401)	(411)	(421)
1,426,008	1,461,658	1,498,200	1,535,655	1,574,046	1,613,397	1,653,732	1,695,075	1,737,452	1,780,889	1,825,411	1,871,046	1,917,822	1,965,768	2,014,912	2,065,285	2,116,917	2,169,840	2,224,086	2,279,688
(967,656)	(1,000,736)	(1,034,960)	(1,070,366)	(1,106,996)	(1,144,891)	(1,184,097)	(1,224,657)	(1,266,621)	(1,310,035)	(1,354,950)	(1,401,419)	(1,449,496)	(1,499,236)	(1,550,697)	(1,603,938)	(1,659,022)	(1,716,013)	(1,774,977)	(1,835,982)
458,352	460,922	463,240	465,289	467,050	468,506	469,635	470,418	470,832	470,854	470,460	469,627	468,326	466,532	464,215	461,347	457,894	453,827	449,109	443,706
(044.005)	(044.005)	(044.005)	(044.005)	(044.005)	(044.005)	(044.005)	(044.005)	(044.005)	(044.005)	(044.005)	(044.005)	(044.005)	(044.005)	(044.005)	(044.005)	(044.005)	(044.005)	(044.005)	ا ا
(314,905)	(314,905)	(314,905)	(314,905)	(314,905)	(314,905)	(314,905)	(314,905)	(314,905)	(314,905)	(314,905)	(314,905)	(314,905)	(314,905)	(314,905)	(314,905)	(314,905)	(314,905)	(314,905)	
ől	ől	ő	ől	ől	0	ől	ől	0	Ĭ	0	ő	ň	0	0	ől	0	ő	0	
(36,628)	(37,727)	(38,859)	(40,025)	(41,225)	(42,462)	(43,736)	(45,048)	(46,400)	(47,791)	(49,225)	(50,702)	(52,223)	(53,790)	(55,403)	(57,066)	(58,778)	(60,541)	(62,357)	(64,228)
0) o	0	0	0	0	0	0	O O	o o	0	0	, o	0	, o	0	0	o o	0	0
0	0	0	0	٥	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
106,819	108,290	109,476	110,359	110,920	111,139	110,995	110,465	109,527	108,157	106,330	104,020	101,198	97,837	93,907	89,376	84,212	78,381	71,847	379,478
1.34	1.34	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.34	1.34	1.33	1.32	1.31	1.30	1.28	1.27	1.25	1.23	0.00
1.34	1.34	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.34	1.34	1.33	1.32	1.31	1.30	1.28	1.27	1.25	1.23	0.00
1.34	1.34	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.34	1.34	1.33	1.32	1.31	1.30	1.28	1.27	1.25	1.23	0.00

17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36
2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057
10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%

37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56
2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077
1,010,611	1,035,876	1,061,773	1,088,317	1,115,525	1,143,413	1,171,999	1,201,299	1,231,331	1,262,114	1,293,667	1,326,009	1,359,159	1,393,138	1,427,967	1,463,666	1,500,257	1,537,764	1,576,208	1,615,613
1,576,588	1,616,003	1,656,403	1,697,813	1,740,259	1,783,765	1,828,359	1,874,068	1,920,920	1,968,943	2,018,166	2,068,621	2,120,336	2,173,345	2,227,678	2,283,370	2,340,454	2,398,966	2,458,940	2,520,413
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8.633	8.848	9,070	9.296	9.529	9,767	10.011	10,261	10,518	10,781	11.050	11,327	11,610	11,900	12,198	12,502	12,815	13,135	13,464	13,800
(101,061)	(103,588)	(106,177)	(108,832)	(111,553)	(114,341)	(117,200)	(120,130)	(123,133)	(126,211)	(129,367)	(132,601)	(135,916)	(139,314)	(142,797)	(146,367)	(150,026)	(153,776)	(157,621)	(161,561)
(157,659)	(161,600)	(165,640)	(169,781)	(174,026)	(178,377)	(182,836)	(187,407)	(192,092)	(196,894)	(201,817)	(206,862)	(212,034)	(217,334)	(222,768)	(228,337)	(234,045)	(239,897)	(245,894)	(252,041)
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(432)	(442)	(453)	(465)	(476)	(488)	(501)	(513)	(526)	(539)	(553)	(566)	(580)	(595)	(610)	(625)	(641)	(657)	(673)	(690)
2,336,680 (1,899,099)	2,395,097 (1,964,402)	2,454,975 (2,031,966)	2,516,349 (2,101,871)	2,579,258 (2,174,197)	2,643,739 (2,249,028)	2,709,833 (2,326,452)	2,777,578 (2,406,559)	2,847,018 (2,489,442)	2,918,193 (2,575,198)	2,991,148 (2,663,926)	3,065,927 (2,755,729)	3,142,575 (2,850,716)	3,221,139 (2,948,995)	3,301,668 (3,050,682)	3,384,210 (3,155,896)	3,468,815 (3,264,759)	3,555,535 (3,377,397)	3,644,424 (3,493,943)	3,735,534 (3,614,531)
437,581	430,695	423,008	414,478	405,061	394,711	383,380	371,019	357,576	342,996	327,222	310,198	291,859	272,144	250,985	228,313	204,056	178,138	150,481	121.003
457,501	450,055	423,000	414,470	403,001	334,711	303,300	371,013	337,370	342,330	327,222	310,130	251,055	2/2,144	250,505	220,313	204,030	170,130	150,401	121,005
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(66,155)	(68, 139)	(70,183)	(72,289)	(74,458)	(76,691)	(78,992)	(81,362)	(83,803)	(86,317)	(88,906)	(91,573)	(94,321)	(97,150)	(100,065)	(103,067)	(106,159)	(109,343)	(112,624)	(116,003)
. 0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
371,427	362,556	352,825	342,189	330,604	318,020	304,388	289,657	273,773	256,679	238,316	218,624	197,539	174,994	150,921	125,247	97,897	68,795	37,857	5,000
3/1,42/	302,556	332,623	342,109	330,604	310,020	304,300	209,037	213,113	230,079	230,310	210,024	197,539	174,994	130,921	125,247	91,091	00,795	31,031	5,000
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56
2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077
10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%

57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75
2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096
1,656,003	1,697,403	1,739,839	1,783,335	1,827,918	1,873,616	1,920,456	1,968,468	2,017,679	2,068,121	2,119,824	2,172,820	2,227,140	2,282,819	2,339,889	2,398,387	2,458,346	2,519,805	2,582,800
2,583,424	2,648,009	2,714,210	2,782,065	2,851,616	2,922,907	2,995,979	3,070,879	3,147,651	3,226,342	3,307,001	3,389,676	3,474,418	3,561,278	3,650,310	3,741,568	3,835,107	3,930,985	4,029,259
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0 0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
14,145	14,499	14.862	15,233	15,614	16.004	16,404	16,814	17.235	17,666	18,107	18,560	19,024	19.500	19,987	20,487	20,999	21,524	22,062
(165,600)	(169,740)	(173,984)	(178,333)	(182,792)	(187,362)	(192,046)	(196,847)	(201,768)	(206,812)	(211,982)	(217,282)	(222,714)	(228,282)	(233,989)	(239,839)	(245,835)	(251,980)	(258,280)
(258.342)	(264,801)	(271,421)	(278,206)	(285,162)	(292,291)	(299.598)	(307,088)	(314,765)	(322,634)	(330,700)	(338,968)	(347,442)	(356,128)	(365,031)	(374,157)	(383,511)	(393,098)	(402,926)
(200,042)	(204,001)	(2, 1, 421)	(270,200)	(200,102)	(202,201)	(200,000)	0 (000)	(014,700)	(022,004)	(000,700)	(000,000)	(017,112)	(000,120)	0	(5/4,15/)	(000,011)	(000,000)	(402,520)
o l	0	ō	0	0	0	ō	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(707)	(725)	(743)	(762)	(781)	(800)	(820)	(841)	(862)	(883)	(905)	(928)	(951)	(975)	(999)	(1,024)	(1,050)	(1,076)	(1,103)
3,828,923	3,924,646	4,022,762	4,123,331	4,226,414	4,332,074	4,440,376	4,551,386	4,665,170	4,781,800	4,901,345	5,023,878	5,149,475	5,278,212	5,410,167	5,545,421	5,684,057	5,826,158	5,971,812
(3,739,304)	(3,868,406)	(4,001,987)	(4,140,204)		(4,431,197)	(4,584,312)	(4,742,742)	(4,906,673)	(5,076,295)	(5,251,808)	(5,433,415)		(5,815,771)	(6,016,966)	(6,225,151)	(6,440,567)	(6,663,468)	(6,894,114)
89,619	56,240	20,775	(16,874)	(56,805)	(99,122)	(143,935)	(191,356)	(241,502)	(294,496)	(350,463)	(409,537)	(471,855)	(537,559)	(606,799)	(679,729)	(756,510)	(837,310)	(922,301)
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(119,483)	(123,067)	(126,759)	(130,562)	0	0	o	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
29,864	66,827	105,984	57,952	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	(89,484)	(56,805)	(99,122)	(143,935)	(191,356)	(241,502)	(294,496)	(350,463)	(409,537)	(471,855)	(537,559)	(606,799)	(679,729)	(756,510)	(837,310)	(922,301)
1 1	ا		(55,454)	(50,000)	(55,122)	(5,555)	(.51,000)	(2.1,002)	(254,400)	(550,400)	(100,007)	(1,000)	(557,555)	(550,750)	(5.5,125)	(. 50,010)	(557,610)	(522,501)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75
2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096
10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%

VA Building 207 - Projections 10/16/20 Loan Inputs & Schedules

Loan Inputs			Month &		Issuer Fees,			Minimum	Projected	Interest	Interest	Share of	Recourse
			Year of	Interest	Trustee Fees,	Amort	Term to	Combined	Combined	Accrual	Deduction	Remaining	/ Non-
Loan	Construction	Permanent	Closing	Rate	MIP, etc.	Period	Maturity	DSCR	DSCR	Method	Method	Cash Flow	Recourse
Tax Exempt Construction Loan	17,000,000		Jun-20	3.60%	0.00%		30 mos.						R
Taxable Construction Loan			Jun-20	3.60%	0.00%		30 mos.						()
Perm Loan		\$ 6,385,298	Dec-22	3.46%	0.00%	35	18	1.15	1.15				NR
Perm Loan 2			Dec-22	4.37%	0.00%	15	15	1.15	1.15				NR
Perm Loan 3			Dec-22	4.37%	0.00%	15	15	1.15	1.15				NR
HCIDLA HHH funds	7,264,730	8,260,000	Jun-20	3.00%			55			Simple	Book	59%	NR
No Place Like Home	5,700,000	5,750,000	Jun-20	0.00%			55			Simple	Book	41%	NR
Deferred Reserves	556,540		Jun-20	0.00%			55			Simple	OID	0.00%	NR
Soft Loan 4			Jun-20	0.00%			55			Simple	OID	0.00%	NR
Soft Loan 5			Jun-20	0.00%			55			Simple	OID	0%	NR
Soft Loan 6			Jun-20	0.00%			55			Simple	OID	0%	NR
Soft Loan 7			Jun-20	0.00%			55			Simple	OID	0%	NR
Soft Loan 8			Jun-20	0.00%			55			Simple	OID	0%	NR
Deferred Developer Fee Loan	2,100,000	1,156,264	Aug-22	0.00%			15			Compound	Book	100%	R

Construction Period Interest Ad	nstruction Period Interest Accruals			To	Placed In-Ser	vice	To P	ayoff / Conver	sion
		Interest	Constr. Term	A/O	Months		A/O	Months	
Loan	Construction	Rate	Int. Expense	Balance	Outstanding	Int. Exp.	Balance	Outstanding	Int. Exp.
Tax Exempt Construction Loan	17,000,000	3.60%	1,020,000	50%	20	510,000	100%	10	510,000
Perm Loan	-	5.55%	0	0%	12	0	100%	0	0
Perm Loan 2	-	4.37%	0	0%	12	0	100%	0	0
Perm Loan 3	-	4.37%	0	0%	12	0	100%	0	0
HCIDLA HHH funds	7,264,730	3.00%	108,971	50%	12	108,971	100%	0	0
No Place Like Home	5,700,000	0.00%	0	50%	18	0	100%	0	0
Deferred Reserves	556,540	0.00%	0	50%	18	0	100%	0	0
Soft Loan 4	-	0.00%	0	50%	18	0	100%	0	0
Soft Loan 5	-	0.00%	0	50%	18	0	100%	0	0
Soft Loan 6	-	0.00%	0	50%	18	0	100%	0	0
Soft Loan 7	-	0.00%	0	50%	18	0	100%	0	0
Soft Loan 8	-	0.00%	0	50%	18	0	100%	0	0
Totals	als					618,971			510,000

50% Test Analysis

Eligible Basis	31,342,323	
Acquisition Basis	0	
Land	0	
bond proceeds	16,846,652	16,230,000
50% test	53.75%	
minimum bond s to meet 50%	15,671,161	
Bond Var actual & Min	1,175,491	
Var converted to EB	2,350,982	
10% of GC Contract	2,268,673	

VA Building 207 - Projections 10/16/20 Investor LP Equity & Tax Credit Calculations

		Rehab / New	
		Construction	Acquisition
	Total	Tax Credits	Tax Credits
LP Equity			
Federal Tax Credits			
Aggregate Tax Credits (see below)	12,508,720	12,508,720	0
Allocation % to LP	99.99%	99.99%	99.99%
Allocation \$ to LP	12,507,469	12,507,469	0
Cents Per Credit @ IRR = 5.29%	0.9650	0.9650	0.9650
Base Equity	12,069,707	12,069,707	0
Cumulative Equity Adjustments	0		
Total LP Equity	12,069,707	0	
* Cents / Credit @ 100% Allocation	0.96490	-	

State Tax Credits			
Aggregate Tax Credits (see below)	1,340,770	1,340,770	0
Allocation % to LP	99.99%	99.99%	99.99%
Allocation \$ to LP	1,340,636	1,340,636	0
Cents per Credit	0.0000	0.0000	0.0000
Base Equity Cumulative Equity Adjustments	0	0	0
T			
Total LP Equity - State LIHTC	1 01		I

Adjustments		
TOTAL LP EQUITY	12,069,707	0

		Rehab / New Construction	Acquisition
	Total	Tax Credits	Tax Credits
Tax Credit Calculations			
A. Basis and Credits Eligible Basis (from Development Budget)	31,342,323	31,342,323	0
less: Grants, Federal BMIR Loans		0	0
less: Non-Qualifying, Non-Recourse Loans		0	0
less: Non-Qualif. Portion of Higher Quality Units		0	0
less: Residential Historic Tax Credit		0	0
less: Other Exclusions		0	0
less: Voluntary Basis Reduction		0	0
Requested Unadjusted Eligible Basis Before Limit	31,342,323	31,342,323	0
Adjusted Threshold Basis Limits (see below)	40,125,669	40,125,669	·
	,,	,,	
Requested Unadjusted Eligible Basis After Limit	31,342,323	31,342,323	0
Basis Adjustment (QCT or DDA)		130%	
Adjusted Eligible Basis	40.745.019	40,745,019	0
Applicable Fraction	40,740,013	100.00%	100.00%
T Approvate T Tourist		10010070	10010070
Qualified Basis	40,745,019	40,745,019	0
less: Credit Reduction		0	
B. Determination of Federal Credits			
Adjusted Qualified Basis	40,745,019	40,745,019	0
Tax Credit Rate	,,	3.07%	3.07%
Annual Tay Cradita Calculated	1 050 070	1 250 272	
Annual Tax Credits: Calculated	1,250,872	1,250,872	0
Annual Tax Credits: Reservation (enter 0 if none)	"	0	0
Annual Tax Credits on IRS Form(s) 8609	1,250,872	1,250,872	o
Aggregate Tax Credits on IRS Form(s) 8609	12,508,720	12,508,720	0
Excess Eligible Basis/(Shortfall)		0	0

Project Unit Mix

Type	Total Units	Restricted	Mkt. Rate	Manager
0 BR	53	53	-	-
1 BR	6	6	-	-
2 BR	1	-	-	1
3 BR	-	-	-	-
4 BR	-	-	-	-
Total	60	59	-	1

Project Unit Mix 0

Category	Total Units	% of Total	0 BR	1 BR	2 BR	3 BR	4 BR
Sect. 42		0%	-	-	-	-	-
Sect. 42 / LI / HHH / NPLH	26	43%	23	3	-	-	-
Sect. 42 / LI / HHH	33	55%	30	3	-	-	-
Other		0%	-	-	-	-	-
Restricted	59	98%	53	6	-		-
Mkt. Rate	-	0%	-	-	-	-	-
Manager	1	2%	-	-	1	-	-
Total	60	100%	53	6	1	-	-
% Units	100%		88%	10%	2%	0%	0%

Section 42 Units

AMI	Total Units	% of Total	0 BR	1 BR	2 BR	3 BR	4 BR
30%	59	100.0%	53	6	-	-	-
35%	-	0.0%	-	-	-	-	-
40%	-	0.0%	-	-	-	-	-
45%	-	0.0%	-	-	-	-	-
50%	-	0.0%	-	-	-	-	-
55%	-	0.0%	-	-	-	-	-
60%	-	0.0%	-	-	-	-	-
80%	-	0.0%	-	-	-	-	-
Total	59	100%	53	6	-	-	-
% of Total	100%		89.8%	10.2%	0.0%	0.0%	0.0%

Section 42 Units

Туре	Total Units	% of Total	30%	35%	40%	45%	50%	55%	80%
0 BR	53	89.8%	53	-	-	-	-	-	
1 BR	6	10.2%	6	-	-	-	-	-	-
2 BR	-	0.0%	-	-	-	-	-	-	-
3 BR	-	0.0%	-	-	-	-	-	-	-
4 BR	-	0.0%	-	-	-	-	-	-	-
Total	59	100%	59		-			-	-
% of Total	100%		100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Part		# Units	# BRs	Sq. Ft.	- 1		Subsidy	Total U/W		Sect. 8 Incr.	Total	Net Sect. 42 Se	et 8 Incr	Total		Like Home (H		Gross HAP	(Util Allow)		AMI	Max Sect. 42 (I	(Util Allow) Ne	at Sact 42
Part					Monthly																			
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Section Sect			# (55	0. 5.						2	T. (1)			7.1.1					/11/11 A.H.					
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Sect Column	Sect. 42 / LI / HHH / NPLH	16	0	450		\$ 591 \$	902 \$	1,493	\$ 591	\$ 902 \$	1,493	\$ 591 \$	902 \$	1,493	\$ 591.00 \$	- \$	591	\$ 1,493	\$ -	\$ 1,493	30%	\$ 591 \$	- \$	591
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Sect 42/11/HeHH	Sect. 42 / LI / HHH	40	0	450		\$ 591 \$	902 \$	1,493	\$ -	\$ 1,493 \$	1,493	\$ 591 \$	902 \$	1,493	\$	- \$	-	\$ 1,493	\$ -	\$ 1,493	30% \$	\$ 591 \$	- \$	591
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UNDERWRITING RENT TENANT RENT + SECT. 8 INCR. SECT. 42 RENT + SECT. 8 INCR. No Place Like Home (HCD) VASH PBV SUBSIDY RENT

Updated rents - 4/24/20
SECTION 42 (TCAC) RENT

			Begin Cre	dit Period
	Placed		Rehab/New	
	In-Service		Construction	Acquisition
Month	8	Mon	th 9	9
Year	2022	Ye	ar 2022	2022

			Q	ualified Lease-l	Jp				
			Sect. 42	Cumulative			ax Credit Delive	ry]
			Units by	Sect. 42	Occupancy	Total	Rehab/New		1
Year	Mo	onth#	Month	Units	%	Tax Credits	Construction	Acquisition	9/1/22
2022	1	Jan	0	0	0%	0	0	0	9/1/22
2022		Jan Feb			0%	0	0		
	2		0	0				0	2/1/22
	3	Mar	0	0	0%	0	0	0	3/1/2
	4	Apr	0	0	0%	0	0	0	4/1/2
	5	May	0	0	0%	0	0	0	5/1/2
	6	Jun	0	0	0%	0	0	0	6/1/2
	7	Jul	0	0	0%	0	0	0	7/1/2
	8	Aug	0	0	0%	0	0	0	8/1/2
	9	Sep	15	15	25%	26,502	26,502	0	9/1/2
	10	Oct	15	30	51%	53,003	53,003	0	10/1/2
	11	Nov	15	45	76%	79,505	79,505	0	11/1/2
	12	Dec	14	59	100%	104,239	104,239	0	12/1/2
First Year To	tals				21.0%	263,248	263,248	0]
2023					4000	404.000	404.000		
2023	1	Jan	0	59	100%	104,239	104,239	0	1/1/2
	2	Feb	0	59	100%	104,239	104,239	0	2/1/2
	3	Mar	0	59	100%	104,239	104,239	0	3/1/2
	4	Apr	0	59	100%	104,239	104,239	0	4/1/23
	5	May	0	59	100%	104,239	104,239	0	5/1/2
	6	Jun	0	59	100%	104,239	104,239	0	6/1/2
	7	Jul	0	59	100%	104,239	104,239	0	7/1/2
	8	Aug	0	59	100%	104,239	104,239	0	8/1/2
	9	Sep	0	59	100%	104,239	104,239	0	9/1/2
	10	Oct	0	59	100%	104,239	104,239	0	10/1/2
	11	Nov	0	59	100%	104,239	104,239	0	11/1/2
	12	Dec	0	59	100%	104,239	104,239	0	12/1/2
Second Year	Totals				100.0%	1,250,872	1,250,872	0	1
2024	1	Jan	0	59	100%	104,239	104,239	0	1/1/2
	2	Feb	0	59	100%	104,239	104,239	0	2/1/2
	3	Mar	0	59	100%	104,239	104,239	0	3/1/2
	4	Apr	0	59	100%	104,239	104,239	0	4/1/2
	5	May	0	59	100%	104,239	104,239	0	5/1/2
	6	Jun	0	59	100%	104,239	104,239	0	6/1/2
	7	Jul	0	59	100%	104,239	104,239	0	7/1/2
	8	Aug	0	59	100%	104,239	104,239	0	8/1/24
	9	Sep	0	59	100%	104,239	104,239	0	9/1/2
	10	Oct	0	59	100%	104,239	104,239	0	10/1/2
	11	Nov	0	59	100%	104,239	104,239	0	11/1/2
	12	Dec	0	59	100%	104,239	104,239	0	12/1/2
Third Year To	tals				100.0%	1,250,872	1,250,872	0	1

VA Building 207 - Projections 10/16/20 Operating Expenses

	- 1	Base	Add	Base	Aug-Dec	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Pro Rate Year 1-2 Inflator?	Yes			Year	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Payroll																			
On-Site Manager	3.50%	60,000	(3,752)	56,248.33	23,437	57,069	59,066	61,133	63,273	65,488	67,780	70,152	72,607	75,148	77,779	80,501	83,318	86,235	89,253
Office and Administration	3.50%		2,719	2,718.84	1,133	2,758	2,855	2,955	3,058	3,165	3,276	3,391	3,510	3,632	3,760	3,891	4,027	4,168	4,314
Maintenance	3.50%	40,000	17,044	57,043.93	23,768	57,876	59,901	61,998	64,168	66,414	68,738	71,144	73,634	76,211	78,879	81,640	84,497	87,454	90,515
Resident Services	3.50%	00.000	-	0.00	0	0	0	0	0	44 040	0	0	0	0	0	0	50.005	0	0
Security	3.50%	36,000	-	36,000.00	15,000	36,525	37,803	39,126	40,496	41,913	43,380	44,899	46,470	48,096	49,780	51,522	53,325	55,192	57,123
Grounds Payroll Taxes & Workers Compensation	3.50% 3.50%	11.000	4.070	0.00 15,077.80	0	15 200	15.022	16 297	16.061	17.554	0	10.005	10 463	0 20,144	0	24 570	22 224	22 116	22.025
Employee Benefits	3.50%	11,000 20,000	4,078 (1,135)	18,864.95	6,282 7,860	15,298 19,140	15,833 19,810	16,387 20,503	16,961 21,221	17,554 21,964	18,169 22,732	18,805 23,528	19,463 24,352	25,204	20,849 26,086	21,579 26,999	22,334 27,944	23,116 28,922	23,925 29,934
Value of Employee Apartments	3.50%	20,000	(1,135)	0.00	0 /,000	19,140	0 10,610	20,503	21,221	21,904	22,732	23,326	24,352	25,204	20,080	20,999	27,944	20,922	29,934
Other Expenses	3.50%			0.00	١ ٥١	ő	0	0	ا م	ο̈́Ι	١	۱	١	١	١	0	۱	١	ا م
Other Expenses	0.0070	167,000	18,954	185,953.86	77,481	188,666	195,269	202,103	209,177	216,498	224,076	231,918	240,035	248,437	257,132	266,132	275,446	285,087	295,065
Administrative Expenses		,	,	,	'','''	,	,	,		,	,		,	,		,			,
Property Mgmt. Fee (% of EGI)	3.50%	43,200	0	43,200.00	7,178	34,461	35,323	36,206	37,111	38,039	38,990	39,965	40,964	41,988	43,037	44,113	45,216	46,347	47,505
Property Mgmt. Fee (Fixed Fee)	2.50%	,	0	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Renting Expenses	3.50%	1,500	(750)	750.00	313	761	788	815	844	873	904	935	968	1,002	1,037	1,073	1,111	1,150	1,190
Office Supplies / Minor Equipment	3.50%	7,500	2,789	10,289.00	4,287	10,439	10,804	11,183	11,574	11,979	12,398	12,832	13,281	13,746	14,227	14,725	15,241	15,774	16,326
Legal	3.50%	5,000	0	5,000.00	2,083	5,073	5,250	5,434	5,624	5,821	6,025	6,236	6,454	6,680	6,914	7,156	7,406	7,666	7,934
Audit Expenses (project related)	3.50%	7,000	0	7,000.00	2,917	7,102	7,351	7,608	7,874	8,150	8,435	8,730	9,036	9,352	9,679	10,018	10,369	10,732	11,107
Accounting/Bookkeeping	3.50%	5,500	(5,500)	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Telephone/ Computer/ Internet	3.50%	4,500	1,908	6,407.76	2,670	6,501	6,729	6,964	7,208	7,460	7,721	7,992	8,271	8,561	8,860	9,171	9,492	9,824	10,168
Other Expenses	3.50%	5,000	(76)	4,924.00	2,052	4,996	5,171	5,352	5,539	5,733	5,933	6,141	6,356	6,579	6,809	7,047	7,294	7,549	7,813
<u> </u>		79,200	(1,629)	77,570.76	21,499	69,333	71,415	73,562	75,774	78,055	80,407	82,831	85,331	87,908	90,564	93,304	96,128	99,041	102,044
Utilities	0.500			0.00			.=				.=								
Electricity	3.50%	22,220	(7,845)	14,375.00	5,990	14,585	15,095	15,623	16,170	16,736	17,322	17,928	18,556	19,205	19,877	20,573	21,293	22,038	22,810
Water & Sewer	3.50%	15,657	31,885	47,542.00	19,809	48,235	49,924	51,671	53,479	55,351	57,288	59,294	61,369	63,517	65,740	68,041	70,422	72,887	75,438
Gas	3.50%	4,211	5,013	9,224.00	3,843	9,359	9,686	10,025	10,376	10,739	11,115	11,504	11,907	12,323	12,755	13,201	13,663	14,141	14,636
Internet	3.50%	5,000	(5,000)	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	١
Other:	3.50%	47,088	24,053	71,141.00	29,642	72,178	74,705	77,319	80,026	82,826	85,725	88,726	91,831	95.045	98,372	0 101,815	105,378	109,067	112,884
Operating & Maintenance		47,000	24,053	71,141.00	29,642	72,170	74,705	17,319	80,026	02,020	65,725	00,720	91,031	95,045	90,372	101,615	105,376	109,067	112,004
	2 500/	7 720	4 205	10 105 00	5.050	40 202	10.720	10 170	12.620	14 117	14 611	15 100	15 651	16 100	16.766	17.252	17.000	10 500	10.240
Maintenance Supplies	3.50% 3.50%	7,730 5,700	4,395 (700)	12,125.00 5,000.00	5,052 2,083	12,302 5,073	12,732 5,250	13,178 5,434	13,639 5,624	14,117 5,821	14,611 6,025	15,122 6,236	15,651 6,454	16,199 6,680	16,766 6,914	17,353 7,156	17,960 7,406	18,589 7,666	19,240 7,934
Janitorial Supplies	3.50%	5,700	(700)	0.00	2,063	0,073	5,250	5,434	5,624	5,621	0,025	0,230	0,454	0,000	0,914	7,156	7,406	0,000	7,934
Grounds Supplies Contract Maintenance & Repairs	3.50%	7,200	8,400	15,600.00	6,500	15,828	16,381	16,955	17,548	18,162	18,798	19,456	20,137	20,842	21,571	22,326	23,108	23,916	24,754
Grounds Contract	3.50%	17,900	7,200	25,100.00	10,458	25,466	26,357	27,280	28,235	29,223	30,246	31,304	32,400	33,534	34,708	35,922	37,180	38,481	39,828
Extermination	3.50%	1,800	6,720	8,520.00	3,550	8,644	8,947	9,260	9,584	9,919	10,267	10,626	10,998	11,383	11,781	12,194	12,620	13,062	13,519
Trash Removal	3.50%	13,200	5,350	18,550.00	7,729	18,821	19,479	20,161	20,867	21,597	22,353	23,135	23,945	24,783	25,650	26,548	27,477	28,439	29,434
Contract Cleaning-	3.50%	6,600	13,900	20,500.00	8,542	20,799	21,527	22,280	23,060	23,867	24,703	25,567	26,462	27,388	28,347	29,339	30,366	31,429	32,529
Heating, A/C Repairs	3.50%	2,000	(2,000)	0.00	0,542	20,739	0	22,200	23,000	20,007	24,703	25,507	20,402	27,500	20,547	25,555	00,500	01,429	02,029
Elevator	3.50%	2,400	2,252	4,652.00	1,938	4,720	4,885	5,056	5,233	5,416	5,606	5,802	6,005	6,215	6,433	6.658	6,891	7,132	7,382
Fire Protection & Monitoring	3.50%	2,500	9,477	11,977.00	4,990	12,152	12,577	13,017	13,473	13,944	14,432	14,937	15,460	16,001	16,561	17,141	17,741	18,362	19,005
Employee Apartment	3.50%	2,000	-	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.0070	67,030	54,994	122,024.00	50,843	123,804	128,137	132,621	137,263	142,067	147,040	152,186	157,513	163,026	168,731	174,637	180,749	187,076	193,623
Insurance		, , , , , ,	, , , , ,	'		.,			' ' '	, , , , ,	, ,	,	, ,	,		,		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	(
Property Insurance	3.50%	36,778		36,778.00	15,324	37,314	38,620	39,972	41,371	42,819	44,318	45,869	47,474	49,136	50,856	52,636	54,478	56,385	58,358
Annual Ground Lease Payment to VA	1.00%	-	-	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		36,778	-	36,778.00	15,324	37,314	38,620	39,972	41,371	42,819	44,318	45,869	47,474	49,136	50,856	52,636	54,478	56,385	58,358
Real Estate Taxes				0.00													I		, I
Property Taxes	2.00%	7,000	(2,000)	5,000.00	2,083	5,042	5,143	5,245	5,350	5,457	5,566	5,678	5,791	5,907	6,025	6,146	6,269	6,394	6,522
Other Levies	2.00%		-	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
L.,		7,000	(2,000)	5,000.00	17	5,042	5,143	5,245	5,350	5,457	5,566	5,678	5,791	5,907	6,025	6,146	6,269	6,394	6,522
Other Taxes, Licenses & Fees				0.00															(<u></u>
Special Assessments	1.00%	1,600		1,600.00	667	1,607	1,623	1,639	1,655	1,672	1,689	1,706	1,723	1,740	1,757	1,775	1,793	1,810	1,829
Trustee Fees	0.000/	2,800		2,800.00		0.001	0.004				0.004	0.001	0.004	0.004	0.004	0.004	0.004	0.004	
Issuer Fees	0.00%	3,991 8,391	-	3,990.81 8,390.81	1,663 2,330	3,991 5,597	3,991 5,614	3,991 5,630	3,991 5,646	3,991 5,663	3,991 5,679	3,991 5,696	3,991 5,713	3,991 5,731	3,991 5,748	3,991 5,766	3,991 5,783	3,991 5,801	3,991 5,819
Resident Services		8,391		0,390.81	2,330	5,597	5,614	5,630	5,646	5,003	5,079	5,696	5,713	5,731	5,748	5,766	5,783	5,801	5,819
Supportive & Resident Services	3.50%	72,215		72,215.00	30,090	73,268	75,833	78,487	81,234	84,077	87,020	90,065	93,218	96,480	99,857	103,352	106,969	110,713	114,588
Other: TSA Resident Services	3.50%	10,000		10,000.00	4,167	10,146	10,501	10,868	11,249	11,643	12,050	12,472	12,908	13,360	13,828	14,312	14,813	15,331	15,868
Other. TOA Nesident Services	3.30%	82,215		82,215.00	34,256	83,414	86,333	89,355	92,483	95,719	99,070	102,537	106,126	109,840	113,685	117,664	121,782	126,044	130,456
		02,213		02,213.00	34,230	03,414	00,555	03,333	32,403	33,713	33,070	102,557	100,120	103,040	110,000	117,004	121,702	120,044	150,450
TOTAL OPERATING EXPENSES		494,702		589,073.43	231,392	585,348	605,236	625,808	647,090	669,106	691,881	715,441	739,815	765,028.93	791,113	818,098	846,014	874,894	904,771
							-	-								-		-	
TOTAL OPERATING EXPENSES / UNIT	т			9,817.89		495,708													
REPLACEMENT RESERVE / UNIT				387.00		(1,006)													
OP EXP + REPL RESERVE / UNIT				10,204.89															
					-														

H.4 Supportive Service Budget - First Year of Operations

Instructions: In Column A, show all lead service provider and partnering agencies' costs, regardless of funding source. Include both cash costs and in-kind services, and note accordingly in Column B. In Column C, total funds committed must match the funding identified in the supportive service commitments. Include as committed services coordinator and case management paid from cash flow as defined in NOFA Sections 6.1 and 6.3. See the sample supportive services budget below.

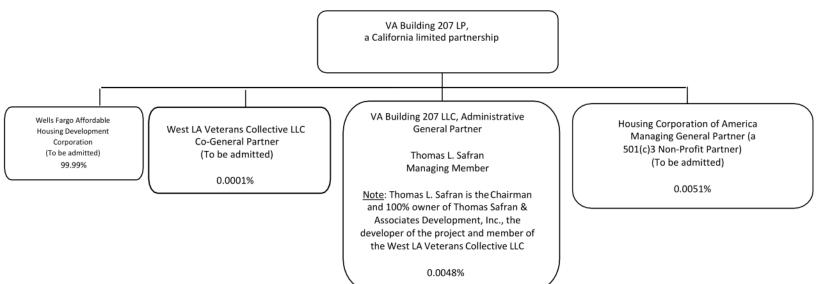
	Column A	Column B	Column C	Column D = (A - C)	Column E	1
_		Type (Cash or	Funds	Funds Remaining	Funding	
Expenses	Cost	In-kind Services)	Committed	to be Committed	Source	Notes/Assumptions
PERSONNEL						
Total Supportive Services Staff Expenses (from H.3)	\$78,740	Cash	\$64,890.00	\$13,850.00	Operating	Additional CMs to be provided by VASH
SERVICES (do not include services covered in Personnel section above; add rows if needed)						
Service Agency						
Social Activities/Recreational U.S.VETS	\$600.00	Cash	\$600.00		Operating Revenue	\$150 average per quarter for community/holiday activities (food, decorations, supplies)
				\$0.00		
				\$0.00		
				\$0.00		
				\$0.00		
				\$0.00		
				\$0.00		
				\$0.00		
				\$0.00		
OTHER EXPENSES (add rows if needed)				\$0.00		
Training/Conferences	\$200.00				Operating	Staff training for first aid/CPR, mental health training, conferences, staff development, staff morale activities
Supplies	\$2,675.00				Operating	
Equipment (Lease/Purchase)				\$0.00		

Food	\$0.00		\$0.00	Operating	Initial groceries as needed
					for tenants who have no or
					limited income at intake
Mileage/Parking	\$0.00		\$0.00	Operating	Based on government
					mileage reimbursement
					rate
Other (general & professional liability insurance allocation)	\$0.00		\$0.00		General & professional
					liability insurance allocated
					based on approx. 3.5% of
					direct service salaries
TOTA	\$82,215.00	\$65,490.00	\$16,725.00		
Funding Source					

In-kind Services		
Grant Funds		
DHS Services Funds		
Project Cash Flow*		\$82,215
	TOTAL SERVICES FUNDS	\$82,215
	GAP/SURPLUS	\$0

West LA VA Campus Building 207 11301 Wilshire Blvd., Building 207 APN #: 4365-007-903 Los Angeles, CA 90025

G.1 MEMO: Bylaws & Articles of Incorporation



- Thomas Safran & Associates Development Inc. formed VA Building 207 LP.
- The West LA Veterans Collective LLC is a partnership between US VETS, Century Housing Corporation, and Thomas Safran & Associates Development Inc. and will act as a Co-General Partner.
- The subject property is owned by The United States of America.
- Thomas L. Safran is the Managing Member of the project specific VA Building 207 LLC that serves as the Administrative General Partner.
 - Thomas L. Safran is the Chairman, 100% owner and Sole Director of Thomas Safran & Associates Development, Inc., the project developer.
 - Andrew D. Gross is the President of Thomas Safran & Associates Development, Inc.
- The Housing Corporation of America, a 501(c)3 non-profit partner, will be admitted as the Managing General Partner of the project specific VA Building 207 LP and will obtain a welfare tax exemption for the property.

A tax credit equity investor will be admitted to the Partnership as a Limited Partner at the closing of construction financing.

EXHIBIT "E" OPERATIONS AND MAINTENANCE PLAN

West LA Campus – Building 207 Exhibit E: Operations & Maintenance (O&M) Plan

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Operation and Maintenance Plan Goals and Objectives

Thomas Safran and Associates Inc. (TSA or "Management Company") is committed to maintaining its properties to the highest standards and enriching the lives of the people who reside in their buildings.

The Lessee, through the Management Company, takes responsibility for coordinating maintenance and operations of the Building 207 Project. The Management Company will oversee all leasing, resident selection criteria, priority guidelines for the replacement units; eviction policies; house rules; security and emergency services; social services; and day-to-day management of operations. The Management Company will be responsible, by means of periodic budgets, financial statements, and status reports, for advising the development team on the operation of the Project. In addition, the following procedures shall be followed to ensure effective day-to-day operations, and cooperation between the Management Company.

- 1. Day-to-day operation of the project will be under the direct supervision of the Property Manager who will report to the Property Supervisor (to be employed by the Management Company).
- 2. A senior management member will be the representative reporting to the Management Company.
- 3. Regularly scheduled meetings with U.S.VETS, who is the supportive services provider, HUD-VASH Case Management team (at least monthly), and GLAHS Community Engagement and Reintegration Service (CERS staff).

Budget and Accounting

The Annual Operating Budget for the Project will be prepared by TSA. Financial accounting, reports, and records will be in conformance with standard accounting procedures, and responsive to the guidelines provided by the regulatory agencies connected with the property. TSA will maintain accurate files of all resident transactions, revenue, and expenditures. Monthly deposits shall be made to the Replacement Reserve Account each month to ensure it is funded to cover any needed maintenance repairs.

Building Maintenance

TSA believes that the on-site staff is of critical importance to the success of the property, thus TSA maintains the highest employment standards for our Management Company employees. The Management Company maintains positive and regular communication with residents and promptly completes requests and addresses complaints. The Management Company staff responds to and/or completes all resident work order requests within 24 hours of receipt.

Unit Inspections

For all inspections, Management Company Staff must make reasonable effort to conduct the inspection in the presence of the resident. Management Company Staff must give residents at least twenty-four-hour notice of entry. If the resident is not present, the Management Company Staff must receive verbal or written permission to enter and leave a notification that they entered the unit after the inspection is completed.

- 1. Move-Out Inspections: When a unit has been vacated, the Property Manager will provide the resident with an opportunity to receive a Pre-Move-Out Inspection. At this time, the Management Company Staff will inspect the unit with the resident and determine any damages to be corrected or cleaning necessary over and above normal wear and tear, which shall be charged against the security deposit. A resident may, but will not be required to, participate in this inspection. The move-out inspection form will be compared to the move-in inspection form to determine the extent of resident-caused damages.
- 2. Move-In Inspections: Move-In inspections are required at the time the resident signs their lease and receives the keys. Prior to the resident moving in, the resident must initial that the unit is in decent, safe, and sanitary condition as per program requirements. Move-In inspections establish the actual condition of the unit before the resident begins occupancy. All Move-In inspections must be conducted in the resident's presence and with Management Company Staff present. For any items indicating repair, replacement or needing cleaning a work order must be generated immediately. When the work order is completed, the inspection must be updated and initialed by the resident as complete.
- 3. Annual Unit Inspections: All units must be inspected annually by Management Company Staff. The purpose of the annual unit inspection is to evaluate the physical condition of each unit. Management Company Staff may conduct unit inspections on a mass schedule or based on the Move-In date but must be according to the determined schedule. All annual inspections must be conducted in the resident's presence and with the management company staff- including the property manager and property maintenance technician present. For any items indicating repair, replacement, or needing cleaning; a work order must be generated immediately. When the work order is completed, the work order must be updated and signed by the resident as complete. Any issues found during an annual inspection must be addressed. If a repair is necessary, a work order must be issued. The resident must be notified and must authorize entry for the work order. If it is determined that the resident is responsible

for the deficiency, a letter must be issued to the resident explaining the issue and notifying them of the required remedy.

4. Pre-Move-Out Inspections: Residents giving a 30-day written notice have the right to request a pre-Move-Out inspection to be conducted 2 weeks prior to the Move-Out date. The intent of the inspection is to provide the resident with information about any damages or deficiencies that may exist in the unit, and to allow the resident to make proper repairs and avoid forfeiture of some or all of their security deposit. At the time the Management Company office staff receives the 30-day written notice, the Management Company office staff and resident must complete the Notice of Resident Option to Conduct Initial Inspection. All Pre-Move-Out inspections must be conducted in the resident's presence and with the Management Company manager and maintenance technician present. The unit inspections and the inspections must be conducted in pairs.

Preventative Maintenance

Inspections will be made on the exteriors and common areas for security and preventative maintenance purposes on a weekly, monthly and quarterly basis. In general, the Project components will be inspected as follows:

- On-site physical inspections conducted three times a week by the Property Manager. This would be augmented as needed through inspections by the Management Company Regional Property Supervisor;
- 2. Mechanical equipment inspection semi-annually or as needed;
- 3. Walk-through with contract services quarterly and as needed;
- 4. Roof inspections in the fall of each year and as needed;
- 5. Internal components inspected by Management Company Property Manager or Management Company Regional Property Supervisor semi-annually or as needed;
- 6. Exterior components such as lighting, building siding, asphalt, sidewalks, roof, etc. are inspected routinely (daily, weekly or monthly) as applicable by the Management Company Property Manager and Management Company Maintenance staff or vendor and periodically by the Management Company Regional Property Supervisor typically in the spring and fall;
- 7. Lighting and security inspections are conducted routinely by on-site personnel and off-site personnel (as indicated in 6 above);

Building and Custodial Maintenance

1. Janitorial/Custodial Maintenance: Each member of the Management Company Staff must contribute to maintaining a clean property. When there is trash visible on the property, all members of the staff must pick up the trash immediately. The property and common areas must be dusted and cleaned on a regular basis.

Management Company Staff are responsible for managing janitorial vendors to keep the property clean at all times. Office Staff must communicate to the Management Company Regional Property Supervisor if the janitorial vendors are not to TSA standards.

- 2. Unit Maintenance and Preventative Maintenance will be completed by onsite Management Company Maintenance Staff.
- 3. Non-Routine maintenance/repairs of items outside of the Maintenance staff skillset and ability will be completed by a third-party vendor selected by the Management Company Staff and Management Company Regional Property Supervisor as needed. There shall be notification of ACM / LBP to Maintenance and contractors per local / state / federal regulations.

Grounds Maintenance/Landscaping

Outside contractors will be utilized on an as needed basis, except for the grounds maintenance, which will be contracted to an outside landscaping company, and for routine garbage removal and extermination services.

Service and Work Order Call System

The Management Company requires a Work Order Request form to be verbally requested or filled out and signed by the resident for all repairs completed in a unit. Requests can be made by telephone, in-person, online, or in writing. Management Company Office Staff will assess each work order based on level of criticality and will respond based on level of priority ranging from emergency (within one hour) to deferred (work completed within one month). These response times will vary based on the criticality of each assignment." Office Staff must communicate the timing with the resident within 24-48 hours. The work order form is primarily used by residents when Management Company Office Staff is unavailable. It identifies the service required and the preferred time of service and is a record. Emergency and urgent repairs must be completed even if no work order form is filled out. Failure to complete a written work order is not grounds for a repair not being done.

Green Management

TSA practices energy conservation at all properties.

- 1. Energy Conservation: Thermostats, HVAC systems, lighting, and other electrical devices are inspected as routine preventative maintenance to ensure they are working efficiently.
- 2. Water Conservation: Management Company Property Staff must fix leaks immediately, not over irrigate the landscaping and only water during late night hours, turn off irrigation systems during rainstorms (put systems on rain delay) and continually monitor the water and plants while walking around the property.

- Management Company Staff are expected to keep a consistent dialog with the entire team and watch for signs of stressed plants and work together to fine tune
- the landscaping water needs.
- 3. Resident Engagement: Management Company Staff to spend time with residents educating them on sustainability measures and environmental conservation. Resident engagement in conservation measures is critical.

Safety and Security Plan

Safety and security of the residents and property are of the utmost importance to TSA. All TSA properties have security cameras in place to help protect the residents and property along with access control systems. TSA will implement a comprehensive Safety and Security Plan along with an Emergency Response Plan (ERP).

Emergency Services:

- Police LA County Sheriff's Office is authorized to serve in unincorporated LA County
 areas not covered by LAPD, like West LA VA campus. However, the station is located
 approximately 20 minutes from the campus. The LA County Sheriff's Department and the
 GLA Veterans Affairs Police Department will have jurisdiction to serve B207. VA Police
 has jurisdiction and full authority in leased properties.
- Fire LA City Fire Department is authorized agency to serve the building. The LA City Fire
 Department will have primary jurisdiction to serve B207. However, in the event of an
 emergency, VA Police has authority in leased properties to act as the "First Responder"
 until the Fire Department arrives on the scene.
- Ambulance Emergency 911 calls are directed to LA County Sheriff station in West Hollywood. Requests for ambulance are routed from County Sherriff to LA County Fire. County Fire will then dispatch an ambulance the property. County Fire most commonly uses a McCormick Ambulance for its calls, but this is subject to availability.

TSA adheres to a proactive approach concerning emergencies. The company participates in annual emergency preparedness drills such as The Great Shake Out. It is vital that Management Company Staff be prepared for the variety of emergencies that may occur at any time. Office Staff are responsible for responding to all emergencies that occur on the property. This may entail ensuring that the property has appropriate emergency coverage (on-call maintenance with back-up personnel). If circumstances prohibit Office Staff from temporarily taking this responsibility, they must notify the answering service to refer all emergencies to another staff member or the Regional Property Supervisor.

The property Emergency Response Plan (ERP) includes the following:

- 1. **Resident Education:** All residents and staff will be trained annually on the ERP. Incoming residents will receive training on the ERP during their new resident orientation.
- 2. **Emergency Binder:** Management Company Staff must create and consistently maintain a current and accurate Emergency Preparedness Binder with an Evacuation Plan for all residents on the property. This includes utilizing maps with detailed descriptions on how to exit the building(s) in the event of an emergency. Local fire departments or the Red Cross may assist with this plan. For additional support, contact the Resident Services department or the Regional Property Supervisor.
- 3. Evacuation Plan: TSA requires all properties to have an evacuation plan. The evacuation plan will be specific to Bldg. 207 and produced with the specific plans including exit areas, emergency response locations, and resident evacuation safe zones. The evacuation plan will include the egress stairways located at the building with the egress doors for exiting the building in the event of an emergency. Management Company Staff must discuss their property specific a plan with their Management Company Regional Property Supervisor. Management Company Staff must be familiar with the emergency evacuation plan and practice it periodically. The evacuation plan is distributed to all residents upon Move-In (updates must be distributed to current residents). Evacuation plans may also be posted on bulletin boards, in the laundry room, elevators, stairwells and hallways, as appropriate.
 - a. Management Company Approach to Handling Emergencies:
 - 1. Only deal with the situation at hand and re-evaluate.
 - 2. Go above and beyond. Take care of all residents and any affected neighbors.
 - 3. Staff must never put themselves in harm's way.
 - 4. In an emergency that requires evacuation, it is important to have a plan and follow it. Below are some basic steps Management Company Staff must follow:
 - a. The safety and survival of the Management Company Staff and residents are the top priorities. Residents' personal belongings, including medication, are a secondary concern.
 - b. Call 911 for help as soon as it is safe to do so.
 - c. Evacuate in a safe and orderly manner. Residents can help one another when it does not jeopardize either person's safety.
 - d. Office Staff will put forth their best effort to assist residents but must not put themselves in harm's way. If a resident refuses to leave, Management Company Staff must keep moving forward with the evacuation and will inform hall monitors to do the same.
 - 5. Following an evacuation, the Management Company Staff must do the following:
 - a. Utilize the TSA Emergency Phone Tree to contact key help (phone tree can be obtained from the Resident Services department or the Regional Property Supervisor).

- b. Gather the team and assign responsibilities. The team may include Management Company Staff, hall monitors, other residents, or other members of the community available to help. Responsibilities may include:
 - i. Resident Care: Food, water, medication, first aid, contacting relatives, and booking overnight lodging.
 - ii. Property Care: Assessing damage and immediate necessary repairs.
 - iii. Take Roll Call: Is everybody accounted for? It is important to have a list of missing residents for emergency personnel. Management Company Staff must not re-enter a building after it has been evacuated to search for missing personnel. Emergency personnel will advise the Management Company Staff when it is safe to re-enter the building.
- 6. Resident Emergency Contacts: All resident emergency contact information must be consistently entered and maintained in the company database. This information is vital if an emergency occurs at the property. At annual recertification, Office Staff must request any updated emergency contact information and update it in the company database. Anytime that a resident notifies Office Staff of a change in their emergency contacts they must update it within 48 business hours.
- 7. Resident Roster or Roll Call List: If an emergency requiring evacuation occurs, the Management Company Staff must have a quick way to determine who is still in the building and their likely location. Office Staff must have an updated Resident Roster or Roll Call list. After an evacuation, it is vital that roll is taken as soon as possible, so that the information on any missing individuals can be shared with emergency personnel.
- 8. Emergency Drills: New properties must practice their emergency evacuation drill within six months of the lease-up. Management Company Staff and hall monitors must practice their role in an evacuation drill periodically, but not less than twice a year.

9. Fire Protection:

- a. Fire Monitoring: All properties must contract with a fire monitoring and protection company that services the property fire alarm systems in accordance with local, state, and federal law. Management Company Staff must ensure all required fire and life safety inspections are completed on time. The fire monitoring and protection company conducts all annual inspections of and repairs for fire/life safety systems.
- b. Fire Extinguishers: Fire extinguishers must be inspected on a monthly basis as part of the preventative maintenance and safety program. Each fire extinguisher has a tag attached that must be initialed by the Management Company Staff member conducting the inspection monthly. The extinguisher must be checked for damage, that the charge arrow is in the green, that the

- pin is present, that the service tag is not expired, and that there are no other obvious issues including corrosion, broken pieces, or rusting on the box or extinguisher.
- c. Smoke Alarms: All smoke detectors will be hard wired. Per the California State Fire Marshal Information Bulletin 13-006, Effective July 1, 2015, all battery-operated smoke alarms must also comply with Provision (1) which shall contain a non-replaceable, non-removable battery that is capable of powering the smoke alarm for at least 10 years. There must be smoke alarms on each floor, in each sleeping room, and in the immediate vicinity outside of the bedrooms (i.e., a hallway). Staff must upgrade smoke detectors to 10-Year batteries as they stop working and/or during unit turns. Maintenance Staff must install and maintain the detectors, and may enter a unit for the purposes of installing, repairing, and testing with proper 24-hour notice.
- d. Carbon Monoxide Alarms: Building 207 will not have an attached parking garage and will not have any appliances that utilize a fossil fuel source. (A fossil fuel is coal, kerosene, oil, wood, fuel gases, and other petroleum or hydrocarbon products that emit carbon monoxide as a byproduct of combustion.). The common area laundry room will have dryers that are natural gas powered and there will be carbon monoxide alarms installed. Both smoke alarms/detectors and carbon monoxide devices are required to be installed in all dwellings. A combination smoke and carbon monoxide alarm/detector will satisfy both requirements. At a minimum, Carbon Monoxide devices must be installed outside each sleeping area in the unit. Maintenance Staff must install and maintain the detectors and may enter a unit for the purposes of installing, repairing, and testing with proper 24-hour notice.
- 4. Asset Protection and Security: TSA takes practical and prudent care to safeguard the security of each property, its residents, the resident files, and its staff members. It is essential that the residents and employees feel secure at all times and the property be protected from damage. Failure to adhere to the security requirements may result in corrective action. The Management Company Staff is the first line of defense against a security breach. Preventative measures must be taken to ensure the safety of the property, residents, and Management Company Staff. The items listed below are examples of things that must be considered in securing the property. This is not meant to be an exhaustive list. Management Company Staff must promote security in the following practices:
 - a. All security devices must be properly maintained and be in constant operating order. This includes cameras, doors, locks, gates, and fences.

- Develop a relationship with local law enforcement and emergency response agencies including a collaborative relationship with Veterans Affairs Police Department (VAPD).
- c. Follow all mandatory screening requirements for all residents.
- d. Walk the property daily and intermittently to look for possible weaknesses in the security of the property including, but not limited to malfunctioning gates, burnt lights, and possible outside access points.
- e. Universally enforce the lease and rental agreement, house, and ground rules, and the addendum for housing that is smoke free if required (as defined in VA Directive 1085) and drug free (other than properly prescribed medication).
- f. Note and correct general conditions such as rust on fences that could cause compromise to the structure's integrity.
- g. Look for evidence of forced entry, document with photos and/or video, and immediately correct.
- h. Maintain proper and adequate lighting and ensure the absence of dark areas around the property. Not only does adequate lighting look nice, it serves as a deterrent against crime. Management Company Staff must replace all non-functioning lighting immediately. Install lighting systems in unusually dark areas. The company also requires trees and shrubs to be trimmed to remove potential hiding places.
- i. Look for evidence of loitering in dark areas and stair wells. Such evidence might be trash, cups, and cigarette butts or drug paraphernalia.
- j. Look for unauthorized vehicles surrounding Building 207.
- k. Re-key locks and recode remote controls.
- 1. Ensure all Security Cameras are working.
- m. Maintain fences in good condition (not cut or broken, no damage or abnormalities).
- n. Ensure gates and locks properly operate to ensure adequate security.
- Office Staff are required to record security breaches on an incident report form.
 Incident report forms must be sent to the Regional Property Supervisor immediately following completion.
- 5. Office Security: The management office must be secured when not occupied. Computers, electric equipment, security DVR systems, rent checks, resident files, and all other office valuables must be secured by the Office Staff even if the absence is intended for a short time.
- 6. **Property Safety:** Management Company Staff are responsible for identifying and correcting most small hazardous conditions. Where correction is beyond their expertise or expense authorization level, Management Company staff must contact the Regional Property Supervisor. During daily property inspections and walks of the property Management Company staff, at a minimum, must look for:
 - a. Trip hazards

- b. Fire hazards
- c. Slip hazards such as slick wet surfaces
- d. Flood hazards
- e. Damaged benches
- f. Obstructions
- g. Lighting and dark areas
- h. Nonfunctioning security devices
- i. Parking hazards

Utilities

The following utilities will be available at the property:

- 1. Water: The provider will be LADWP and the water fees for the common areas and units will be paid for by TSA.
- 2. Electricity: The provider will be Southern California Edison (SCE) and the electricity fees for the common areas of the property will be paid for by TSA. In-unit electricity expenses will be paid for by residents directly to the utility provider.
- 3. Gas: The provider will be Southern California Gas Company and the gas fees for the property will be paid for by TSA.
- 4. Trash: The provider will be LA Sanitation & Environment (LASAN) and the trash fees for the property will be paid for by TSA. There will be an on-grade trash enclosure on the east side of Building 207 with direct access to Bonsall Avenue. LASAN will access the dumpster off of Bonsall Avenue for the regular trash pick-up.
- 5. Sewer: The provider will be LASAN and the sewage fees for the property will be paid for by the Management Company.

See EUL Exhibit D Development Plan for more information on utilities.

Property Management Practices / Policies

1. Lease Enforcement Processes

Lease and rules violations will be addressed by the Property Management Staff in partnership with the onsite Service Provider utilizing a 4-Step Housing Retention Action Plan (HRAP) as outlined below.

4 Step Housing Retention Action Plan (HRAP)

We understand that many of our residents have multiple barriers and may have been unsuccessful in other housing environments. During their residency, we may expect some residents to exhibit behaviors that can jeopardize their housing stability.

The 4-step Housing Retention Action Plan (HRAP) below serves as a tool for the service provider and property manager to work collaboratively to promote housing success for our residents. Through clearly detailing property management and supportive services roles, this housing team aims to build trust, safety, and transparency, with clear expectations for how lease violations and behavior issues will be addressed by all parties.

Furthermore, we believe that housing retention plans can and will empower residents to live independently within a supportive framework, building efficacy when implementing skills that promote housing stability. The following four-step plan is designed with this in mind, in order to reduce housing displacement and promote housing retention.

4 Step Housing Retention Action Plan

Step One

Resident concern/issue is noted: example; potential lease violation, display of atypical behavior (ex. late rental payment, personality changes, etc.)

Property Manager

- Notifies SS of concern by emailing details of this concern and bringing it to their joint weekly meeting. Be sure to include important dates and history and/or bring file to meeting, so next steps can be discussed.
- Include notes in resident's file
- If rent payment, issue a 3-day Pay or Quit notice is sent on 7th of the month
- Non-rent issue courtesy notice may be sent to resident

Supportive Services

- Follows up with conversation, one on one
- Assesses for ongoing challenges to follow rule
- Identifies supports to meet expectation
- Reviews lease terms
- Coordinates between service providers (such as VASH, DHS, DMH) as needed

Step Two

Resident concern/issue continues: a reasonable period passes (typically 30 days) with no change in the same behavior/problem. Rent remains unpaid, neighbor issues have not been resolved, or a clear lease violation has occurred.

Property Manager:

- Notifies SS of violation/concern, discusses with SS next step. Be sure to include important dates and history of same violation if applicable
- If written lease violation is agreed upon, PM will issue it within 2 business days
- PM will email SS a copy of violation before/at same time it is served

Supportive Services:

- File notice in Housing file section
- · Meet with resident one on one
- <u>Verbally</u> create housing retention plan
- Explore situational factors and assess barriers
- Identify community resources
- Connect to necessary supports to follow lease

Step Three

Resident concern/issue progresses: the resident issue remains unresolved. If there has been an agreed upon designated period for correction, that time has passed. In cases where resident or staff safety is at risk, plans may immediately escalate to a step 3.

Property Manager:

- Issues (3/30)-Day Notice Cure or Quit within 48 hours of agreement with SS (usually at standing meeting)
- Notifies SS with electronic CC: of notice
- · Coordinates meeting with resident and SS
- PM reviews and signs resident's proposed Housing Retention Plan during retention meeting with resident, PM and SS

Supportive Services:

- Creates a document plan with the resident with date to review intended plan, results, and end of plan date. (note: will create updates as needed, upon plan review date)
- Identifies barrier and 3 support items
- Bring plan to meeting with resident and SS
- · Set regular meetings to support plan details

Step Four

Resident concern/issue continues: The period designated by the Housing Retention Plan has passed and there has been no reasonable update in the concern.

Property Manager:

- PM discusses next step with SS
- PM issues 30 or 60-day notice to quit
- Notifies SS through electronic copy of notice
- If resident elects to leave in designated time frame, will stop any formal eviction proceedings

Supportive Services:

- Responds in the designated time frame
- Looks for community resources and supports
- Connects to legal supports if resident wants to fight eviction
- · Explores resident's housing options
- Identifies alternative housing
- Assists resident with relinquishing to avoid eviction
- Problem solves potential issues to obtaining apartment (budgeting, etc.)

1. Rent Collection Processes

- a. Collecting Rent: Office Staff must deposit by way of scanning all rent receipts each day they are received. Office Staff may not hold checks that are valid (dated the day received) overnight and must make every attempt to deposit all rent and security deposit checks the day they are received. The security deposit is typically equal to one month's rent and is collected at the time the lease is signed.
- b. Rent Check, Cashier Check or Money Order Theft: Properties must have a secure location to accept rent checks. Secure means behind a locked door, in a locked drawer.
- c. Payment Accepted: Office Staff are prohibited from accepting cash as rent payment. Residents may pay their rent in the form of a check, cashier's check, or money order made payable to Building 207. Office Staff cannot accept any rental amounts other than the actual resident's rent. If a resident brings Office Staff an incorrect check,

- cashier's check, or money order, Office Staff must return the payment to the resident with a written explanation.
- d. Second-party checks can never be accepted as rent payment. Second-party checks are payments someone other than the resident submits as rent on behalf of the resident. Rental payments from anyone not listed on the lease are not acceptable.
- e. Third-party checks can never be accepted as rent payment (except as noted in subparagraph f. below). Third-party checks are checks made payable to the resident by someone else. The resident then requests to endorse the check over to the property as a rent payment.
- f. Third-Party Rent Payment Exception Non-Profit Rent Payment Assistance: The only exception to the Third-Party rent payment policy is for residents who are receiving financial support from a non-profit agency on a one-time or re-occurring basis.
- g. Timing of Rent Collection: Rent is delinquent if not paid by the close of business on the fifth (5th) of each month. Delinquency dates may vary only if the fifth day of the month falls on a weekend or holiday (or if other delinquency periods are required by the property regulatory agreement). In such cases, the delinquency date moves to the next business day. See the property lease for late fee information.

2. Reasonable Accommodations

- a. TSA follows state and federal laws, which require housing providers to make or allow changes to either a unit, the common areas, or to community rules, policies, and procedures if such changes may be necessary to enable a person with a disability an equal opportunity to use and enjoy the housing.
- b. If a resident requires such a change, they must make a verbal or written request with management company staff. When written, they must complete the Reasonable Accommodation Request Form which is the first step in our interactive process; when requested verbally; the management office staff will complete the form on the residents behalf. Management Company Staff will then send the form to a third party to verify the resident's disability and their need for accommodation or modification. Assuming the third party confirms the need for the modification or accommodation, the resident will be notified. If the third party does not confirm the need the interactive process will continue until a decision is reached. If the accommodation request is denied due to physical, legal, or financial feasibility, the resident will be notified in writing.
- c. For Reasonable Accommodations for applicants, please review the Tenant Selection Plan.

3. Veteran Supportive Services Plan

TSA will collaborate with the lead services provider, U.S.VETS, and the VASH Case Managers. The Management Company will communicate tenant issues such as late rent payments, behavioral issues, safety issues, etc. to the lead service provider and VASH Case Managers in real time and through regular meetings (weekly or biweekly or as needed) so that services staff can apply clinical interventions, connect Veterans to resources, and/or provide residential support as needed. Please see the Supportive Services Plan below.

4. Annual Recertification Process

A re-determination of eligibility (recertification) shall be made by the Management Company at least once a year. Information required to be furnished by Resident for such determination includes, but is not limited to, income and asset verification and names and ages of household members. Resident agrees via the lease that all information provided to Landlord shall be true, complete, and correct to the best of his/her knowledge. Failure to provide eligibility information, or providing false or misleading information, may result in the termination of his/her occupancy.

5. Illegal Substances, Smoke-Free and Alcohol Policies

- a. Certain acts are considered to be contrary to the safety, well-being, peace, and enjoyment of the other Residents of the Property. These include, but are not limited to, the use, possession, or sale of illegal drugs or controlled substances and the carrying or exhibiting of firearms on the Property. Such acts are prohibited.
- b. Resident, any member of the Resident's household, or a guest or other person under the Resident's control shall not engage in acts of violence or threats of violence, including, but not limited to, the unlawful discharge of firearms on or near the project premises. The carrying or exhibiting of firearms on the Property and all VA facilities are strictly prohibited.
- c. Resident, any member of the Resident's household, or a guest or other person under the Resident's control shall not engage in or permit the dwelling unit to be used for, or to facilitate, criminal activity, including drug-related criminal activity, on or near project premises. "Drug-related criminal activity" means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance (as defined in Controlled Substances Act (CSA), 21 U.S.C., Chapter 13, Section 801 and Section 802). This includes the use, possession, and/or cultivation of all forms of marijuana, including cultivation of marijuana plants. The use, possession, and/or cultivation of marijuana, including cultivation of marijuana plants, is illegal under federal law even if it is permitted under state law. Per Section 577 of the Quality Housing and Work Responsibility Act of 1998 (QHWRA), P.L. 105-276 (October 21, 1998), 42 W.D.C Section 13662, federally assisted housing

providers are required to deny admission to anyone who is illegally using a controlled substance and allows Landlords of federally assisted housing to terminate the tenancy of anyone who is illegally using a controlled substance or whose illegal use is determined by the Landlord to interfere with the health, safety, or right of peaceful enjoyment of the premises by other residents. Resident or members of the household will not engage in the manufacture, sale, or distribution of any and all illegal drugs at any location, whether on or near the project premises or otherwise.

- d. Residents must adhere to VHA Directive 1085 regarding VHA's smoke-free campus policy, as applicable.
- e. Violation of the above provisions of the property's drug-free,, smoke-free and crime-free housing policy shall be a material violation of the house and ground rules and failure to comply with the house and ground rules is a violation of the lease, which may lead to the termination of tenancy pursuant the termination provision of the property lease.
- f. The Resident Smoking Policy addresses smoking for Veteran households residing on the West Los Angeles campus. While smoking will be prohibited on VA property, this policy permits smoking for residents in designated areas. The West Los Angeles Collective supports the goal of achieving a smoke-free environment and promotes healthy lifestyles for veterans. Veterans will be provided supportive services and to support these goals and encouraged to connect to smoking cessation programs and other applicable life skills and treatment programs.

Responsibility/Governance

Property management and/or designee is responsible for ensuring the policy and procedure is implemented, monitored, and regularly reviewed.

Property Management Staffing Plan

- 1. The Management Company shall hire, train, pay, and supervise all personnel, including independent contractors. U.S.VETS will be the lead service provider and work in collaboration with the HUD-VASH staff and TSA management team. The management team will consist of:
 - a. One (1) full-time, on-site property manager will be responsible for coordinating repair and maintenance of the building, the collection of rents, ensuring occupancy and compliance with various regulatory agencies, and providing support to the residents by maintaining records and files, maintaining information and referral resources, and collaborating with U.S.VETS to organize resident meetings and social events.
 - b. One (1) full-time maintenance supervisor responsible for the oversight of day-to day maintenance of the property. The maintenance technician will report to the property manager and will be responsible for the cleaning and repair of the property.

- c. One (1) 0.75 FTE Management Company Regional Supervisor will oversee the Property Manager and coordinate issues and concerns among an array of similar facilities. This individual is responsible for the training of the Property Manager. This individual is available in case of any emergency and routinely visits the site to ensure the property is appropriately maintained and the Property Manager is fulfilling his/her responsibilities.
- 2. All hiring of on-site personnel shall conform to Equal Employment Opportunity guidelines without regard to race, religion, color, national origin, or sex. Leveraging the workforce programs for Veterans with U.S.VETS, TSA shall make every effort to hire local vendors and employees when possible. Special efforts will be made to provide information regarding job openings to ensure affirmative outreach. This includes outreach to community organizations, newspapers, and other communications media. All hiring materials will indicate that TSA is an Equal Opportunity Employer. U.S.VETS will be responsible for hiring its social service staff and will conform to Equal Employment Opportunity guidelines.

West Los Angeles Veterans Collective (WLAVC) and Thomas Safran & Associates Development Inc. (as the lead developer on Building 207) are committing their best efforts to achieve the following to maximize participation of Service-Disabled Veteran-Owned Small Businesses (SDVOSBs) and Veteran-Owned Small Business (VOSBs) on the redevelopment of the campus:

- a. Five percent (5%) of the total dollar amount of all contractor subcontracts in connection with building trades work for the development of the housing and related infrastructure will be awarded to SDVOSBs and/or VOSBs.
- b. Three percent (3%) of the total dollar amount of all contractor subcontracts in connection with non-building trade work will be awarded to SDVOSBs and/or VOSBs; or other disadvantaged business enterprises such as MBE/ WBE.
- c. Twenty percent (20%) of all construction hires on the project will live within a 10-mile radius of the site (Local Hire Policy).
- d. Providing Ten (10) Pre-Apprenticeship training scholarships for local Veteran residents for each phase of development (Construction Training Scholarships).
- e. Providing fifteen (15) Transitional Job Opportunities Program (TJOP) participants with employment for each phase of development.
- f. Facilitating a Youth Build Program for at least fifteen (15) local qualified youth for each phase of development. Provide \$1,000 incentive to subcontractors for each participant who maintains employment for no less than 90 days.

Supportive Services & Residential Coordination Plan

The Supportive Services & Residential Coordination Plan a critical component of our model for successful community building. The housing provided addresses the acute issue of homelessness. The services focus on long-term healing.

Lead Service Provider

The lead supportive service provider in the building will be U.S.VETS, the nation's largest provider of housing and services dedicated to homeless and at-risk Veterans and their families. Its mission is the successful transition of military Veterans and their families through the provision of housing, counseling, career development, and comprehensive support. U.S.VETS utilizes a therapeutic community approach which builds upon the camaraderie of Veterans by fostering peer support, responsibility, and a sense of belonging while supporting Veterans in achieving their goals.

Staffing

VASH case management will be performed by either VA employees or, should VA decide to contract out the VASH services, a competitively selected third-party provider. U.S.VETS is committed to working closely with the VASH Case Managers.

It is anticipated that there will be approximately 2-3 FTE VASH Case Managers* funded by VA with a caseload ratio of approximately 1:25 for VASH tenants, or another appropriate staffing pattern or ratio as required by the VASH program. VASH Case Managers will be the primary Case Managers with U.S.VETS staff providing secondary support to include support in emergencies and crisis intervention as needed after business hours. If there are any non-HUD-VASH tenants in subsequent project years, then U.S.VETS will provide the primary case management services for these tenants.

Approximately 1 additional FTE for U.S.VETS' Veteran Support Specialist and if needed, an additional U.S.VETS Case Manager, is expected to be funded out of the Supportive Service Budget. Please see Supportive Service Budget.

U.S.VETS' Veteran Support Specialist will function as the Resident Services Coordinator and will facilitate a therapeutic community that encourages Veterans to actively participate as residents of this permanent housing facility which also helps them in developing a support system and healthy social activities. Activities are structured to foster maximum resident participation, independence, and self-sufficiency. The Veteran Support Specialist will conduct in-person, telephonic, and/or virtual outreach with residents to discover service needs or on-site activity interests. U.S.VETS will leverage local connections to link residents to needed services throughout the community. The Veteran Support Specialist will also facilitate services and activities either directly or through coordination with volunteers, local

businesses, or other service providers. Topics will focus on life skills based on Veteran interest and choice such as cooking, financial literacy, and health and wellness. Social events to support a community environment and peer support will be held directly at the property. Service staff will maintain documentation on resident participation and communicate with VASH Case Managers on resident needs or issues as appropriate. Residents will have the opportunity to provide feedback and make requests via surveys about desired activities, classes and educational opportunities at the initial lease-up and ongoing annually. The therapeutic community model is designed to support housing retention, community integration, and quality of life for Veterans.

The VASH Case Managers, U.S.VETS Veteran Support Specialist, and any other U.S.VETS position (if funded), will have offices in the residential building so that they are accessible and part of the social fabric of the senior living community.

Target population

Qualified senior Veterans in need of affordable permanent supportive housing.

Implementation

U.S.VETS will draw from its existing locations in Los Angeles, which have the staffing and service infrastructure in place to ensure that this project is successfully implemented. U.S.VETS currently provides housing and services to over 1,100 Veterans in Los Angeles County daily. Veterans in this project will have access to both on-site and off-site services to include those that are offered at other U.S.VETS' facilities.

Housing First Philosophy

U.S.VETS integrates the Housing First model within its projects, which ensures low barriers for admission and not having preconditions for entry - meaning there are no requirements for sobriety time, for having an income, for service participation/treatment, etc. Yet U.S.VETS is skilled in engaging Veterans, to include those who are chronically homeless, and ensures comprehensive services are offered so that the model is not "Housing Only". Participation in services is continually offered and abstinence or harm reduction will be encouraged. Appropriate clinical interventions are utilized to address any issues that may jeopardize a Veteran's housing.

Meetings with VA

At a minimum, the Property Manager and services provider(s) will participate in quarterly collaborative meetings with VA to have broad discussions of the status of supportive services plan implementation and other relevant issues. Property Manager, service provider, and VASH staff will meet monthly at a minimum, to review more detailed tenant status to

include late rent and lease violations. Service provider and VASH staff will meet weekly or biweekly to coordinate services and care and include Property Manager when applicable.

Community Collaboration

To ensure community collaboration and access to resources, U.S.VETS works with GLAHS and the local Continuum of Care (CoC) and its partners to include the Los Angeles Homeless Services Authority (LAHSA), Department of Health Services, and Department of Mental Health as well as several federal departments to include the Department of Housing and Urban Development (HUD), and the Department of Labor (DOL), and several other agencies and corporations. For U.S.VETS, it is not only about asking the community to help, it is about ensuring U.S.VETS contributes to the communities in which the agency is located and to the solutions that will end Veteran homelessness.

For this project, U.S.VETS will coordinate with the GLAHS Director of Community Engagement and Reintegration Services (CERS) to ensure Veterans have access to all necessary VA programs. As a grantee of the VA Homeless Providers Grant & Per Diem (GPD) program since 1998, U.S.VETS has a long-standing relationship with the VA GLAHS. U.S.VETS will also collaborate with VA GPD Liaisons and the Health Care for Homeless Veterans (HCHV) staff for referrals to this housing for eligible Veterans moving out of GPD transitional housing programs. U.S.VETS is a grantee of the VA Supportive Services for Veteran Families Program (SSVF) and will leverage services for eligible veterans as needed. U.S.VETS will also coordinate with HUD-VASH by referring GPD Veterans to HUD-VASH and/or providing eligible SSVF services to HUD-VASH clients. Experience with these and many other VA programs will ensure a smooth implementation of the appropriate services for Veterans in this proposed project.

As part of the Coordinated Entry System (CES), U.S.VETS works with various CoC partners to include LAHSA. U.S.VETS will continue to collaborate with community partners to both engage Veterans in need of housing provided by this project and leverage resources to provide services.

Services

Through collaboration with VASH staff, U.S.VETS is committed to ensuring that residents of Building 207 have access to case management, individual services plans, benefits advocacy, physical and mental health care treatment, addiction treatment, employment assistance, job training, education assistance, financial assistance, legal advocacy, life skills training, social support, and recreational activities. U.S.VETS will assist Veterans in need in obtaining resources for transportation, food, clothing, and other basic necessities. Many services will be provided directly by U.S.VETS. Services provided by VASH staff will not be duplicated but instead complimented. Others will be provided through collaborations with the VA, Department of Mental Health, or by other nonprofit organizations.

U.S.VETS will continue to function as the lead service provider overseeing the services and working collaboratively with the VASH team to support all of the tenants in the building. However, the VASH Case Managers (either VA employees or, should VA decide to contract out the VASH services, a competitively selected third-party provider) will be the primary Case Managers for VASH tenants, with U.S.VETS providing secondary case management as needed as well as residential support. U.S.VETS will collaborate with VASH staff for scheduling regular meetings that includes VASH Case Managers and, when needed, the VASH supervisor; U.S.VETS on-site staff and, when needed, U.S.VETS management; and the Management Company staff. U.S.VETS will collaborate with VASH staff for case conferencing meetings.

For the case management services further described below, VASH Case Managers (either VA employees or, should VA decide to contract out the VASH services, a competitively selected third-party provider) will directly provide the case management services as the primary Case Manager with U.S.VETS Case Management staff supporting in a secondary role when needed. For all other tenants, if any, U.S.VETS will conduct the Case Manager activities. U.S.VETS Veteran Support Specialist and any other leveraged staff will be the primary provider for the other services outlined below – facilitating and coordinating Social Events, Veteran Council, Peer Support, and Meal Support. The following table summarizes key roles and responsibilities by service type which are further described below.

West LA Supportive Services Matrix*

SUF	PPORTIVE SERVICES*^	HUD-VASH Supportive Services (Provided by VA*)	U.S.VETS-Provided Supportive Services (Over & Above Services Provided by HUD-VASH)
1.	Case management	Χ^	Secondary/after-hours support^
2.	Crisis Intervention/After-hours On-Call		X
3.	Resident Retention	Χ^	Χ^
	Benefits Advocacy	X	
4.	Mental Health Care Support	Referral to Mental Health/ some counseling	
5.	Physical Health Care Support	Referral to Primary Care Provider	
6.	Addiction Treatment	Referral to Treatment/ some counseling^	Coordinate on-site support groups & other sobriety support/recovery activities^
7.	Employment Assistance & Placement		X
8.	Job training assistance	Referral to Veterans for Career Education^	Assess for job training funding through U.S.VETS Workforce Programs^
9.	Education Assistance/Benefits	Referral to VA Education Benefits or other resources^	Coordinate on-site educational workshops^

SUPPORTIVE SERVICES*^	HUD-VASH Supportive Services (Provided by VA*)	U.S.VETS-Provided Supportive Services (Over & Above Services Provided by HUD-VASH)
10. Financial management/Budgeting	X^	Χ^
11. Connection to Legal Assistance	X	
12. Life Skills Training		X
13. Transportation	Coordination of transportation to off-site services^	Secondary support for transportation navigation; may accompany if needed^
14. Family Reunification/Social Support Network	Χ^	X^
15. Social/Cultural/Holiday/Group Activities		X
16. Veteran Council Coordination		X
17. Peer Mentors	Χ^	Χ^
18. Peer Support Groups	X^	Χ^
19. Therapeutic Station Volunteering On- Site/ Community Volunteering Off-Site		X
20. Food Bank/Meal Support	Χ^	Χ^
21. Liaise with property management and VASH staff on client support (to include late rents, welfare checks, town hall meetings, etc.)	Χ^	Χ^

*Note: VA will provide all HUD-VASH services unless VA decides to contract them out. In the event that VA decides to contract out these services, they would be provided by a competitively selected third-party contractor.

^Note: For services that are provided by both HUD-VASH and U.S.VETS, U.S.VETS is responsible for coordinating with VA (or its competitively selected third-party) case managers providing HUD-VASH services in the building.

Case Management: Case management will occur on-site. VASH Case Managers work
with each Veteran to develop an individual service plan, identifying services provided
directly by the VA, by U.S.VETS, or by referral to VA or another community partner.
Primary case management is provided by the VASH Case Managers. U.S.VETS will
collaborate with VASH Case Managers to determine the appropriate schedule of services
and activities for Veterans' needs.

While each Veteran will be encouraged to have a case management plan, HUD rules and Housing First practices prohibit denial of housing to individuals who do not participate in services. U.S.VETS Veteran Support Specialist and, if applicable, other leveraged staff, will collaborate with VASH Case Management staff to offer services and other activities to encourage all to engage in the therapeutic community environment.

- 2. Crisis Intervention/After-hours On-Call: If additional support is needed beyond the schedule of the VASH Case Managers, then U.S.VETS will provide secondary case management services for emergencies or after-hours issues through U.S.VETS on-site or on-call staff. All Veterans will have a phone number for 24/7 response in case of crisis or decompensation.
- 3. Resident Retention: For Veterans who exhibit behaviors that can jeopardize their housing stability, The Management Company and service providers (VASH and U.S.VETS) will work collaboratively to support the Veteran in retaining housing. A Housing Retention Action Plan is as a tool that sets clear expectations and details the role of each party for addressing lease violations and behavior issues. Furthermore, a tenant-specific Retention Plan outlining the factors jeopardizing housing retention, strengths and resources to support the tenant, and action steps may also be created with the Veteran.
- 4. Benefits Advocacy: Provided by VASH staff. Secondary support may be provided by U.S.VETS staff if needed.
- 5. Mental Health Support: VASH Case Managers to provide referrals to Mental Health Care and may provide some counseling as needed. U.S.VETS will work in collaboration with VASH staff to support Veterans in obtaining a mental health assessment if needed and following mental health care treatment plans. The VASH Case Manager will assist the Veteran in obtaining an accessible and acceptable mental health treatment plan if needed, and will partner with the Veteran and the treatment provider and U.S.VETS as needed to provide wrap around support of the treatment plan. U.S.VETS will work in collaboration with VASH staff to support Veterans in achieving mental health goals identified in their individual service plan such as attending self-help support groups, complying with medication regimens, keeping appointments for therapy and treatment, and practicing self-help techniques such as meditation, journaling or exercise based on a strengths-based person-centered model of case management services.
- 6. Physical Health Care Support: VASH Case Managers to provide referrals to Physical Health Care. Secondary support may be provided by U.S.VETS staff if needed.
- 7. Addiction treatment and cessation: For individuals who are actively using substance or other experiencing other addictions, the VASH Case Manager will provide referrals to treatment programs (substance abuse treatment, smoking cessation, problem gambling treatment, etc.). For Veterans who do not engage in treatment, the VASH Case Manager will work with the Veteran to learn and practice harm reduction strategies and continue encouraging participation in the appropriate level of treatment as applicable. U.S.VETS

Veteran Support Specialist will support as needed to encourage participation in treatment and/or harm reduction. Use of illegal substances on-site will not be permitted. While smoking will be prohibited on VA property, this policy permits smoking for residents in designated areas. The West Los Angeles Collective supports the goal of achieving a smoke-free environment and promotes healthy lifestyles for veterans. Veterans will be provided supportive services and to support these goals and encouraged to connect to smoking cessation programs and other applicable life skills and treatment programs. If a Veteran needs outpatient or short-term residential treatment, the VASH Case Manager will assist with arranging for treatment off-site with the VA or another agency that accepts available coverage. Where appropriate, the VASH Case Manager will work with the client and The Management Company to ensure that tenancy is preserved during treatment. For individuals in recovery from substance abuse or other addictions, the VASH Case Manager will encourage the Veteran to attend recovery self-help meetings and engage in other practices intended to maintain a clean and sober lifestyle, including avoiding situations that increase the risk of relapse. The VASH Case Manager will make referrals to qualified organizations to support the Veteran including 12-step groups (Alcoholics Anonymous, Narcotics Anonymous, etc.). U.S.VETS Veterans Support Specialist will coordinate on-site support groups and the activity calendar.

- 8. Employment Assistance/Job Training and Placement: For Veterans who are interested in gaining full- or part-time employment, U.S.VETS offers comprehensive employment assistance through its Workforce Development Department to assist with job training and placement. U.S.VETS Workforce staff will make on-site visits as needed.
- 9. Education Assistance/Benefits: While it is less common for seniors to seek out formal education, U.S.VETS encourages and supports senior Veterans to pursue any educational goals they may have and will assist them in accessing resources and signing up for courses as needed. U.S.VETS will seek out opportunities at senior centers and other community programs that Veterans may be interested in participating in as well to include coordinating educational workshops on-site. The VASH Case Manager will facilitate connection to VA resources for these services and/or facilitate referrals to other resources.
- 10. Financial Management/Budgeting: VASH Case Managers will work with the Veteran on an individual basis to learn how to manage money and live within a budget, allocating monthly amounts to housing- related costs, food, and other expenses. Each individual will be offered the opportunity for financial skill building through individual meetings with VASH Case Managers or through workshops offered by U.S.VETS or other community partners. The VASH Case Managers will help Veterans find and learn to use local food banks, learn to use coupons, and establish a plan for paying for monthly bills.

In addition, U.S.VETS will assist Veterans with assessing opportunities for debt resolution or consolidation as needed and may coordinate with banks, credit counseling agencies, or other resources to host workshops on-site. For Veterans who qualify for the VA-funded Supportive Services for Veteran Families Program (SSVF), as a current grantee of this program, U.S.VETS will coordinate temporary financial assistance as eligible to assist Veterans in moving into this project and/or maintaining housing.

- 11. Legal Assistance: Referrals to be provided by VASH Case Managers to include referring to the UCLA legal clinic on the GLAHS campus. For Veterans who are eligible for Veteran Court, Homeless Court, Drug Court, or another specialty court, they will be referred to the local court.. Secondary support may be provided by U.S.VETS staff if needed.
- 12. Life Skills Training, Support, and Assistance: Life Skills activities will occur both on-site and off-site. Independent living in permanent housing requires a number of life skills. Comprehensive case management and residential support for this population entails extensive, personalized attention to developing and maintaining life skills, including:
 - a. Apartment maintenance: U.S.VETS' Veteran Support Specialist will support Property Management as in needed in encouraging and monitoring for apartment maintenance, safety and cleanliness standards and check on the current status of housekeeping during regular home visits. Referrals for In Home Supportive Services will be provided to eligible Veterans which may assist them with additional supports to maintain cleanliness. U.S.VETS Veteran Support Specialist will assist in conducting welfare checks if needed and may also accompany the VASH Case Managers when doing home visits to the tenant's unit when needed.
 - b. Good neighbor/tenant: The Case Manager (VASH Case Manager for VASH tenants) and the Veteran Support Specialist will work with the Veteran to establish and maintain good neighbor and good tenant behaviors, beginning with review of any standards established in the lease such as quiet times, limits on visitors, restrictions on pets, storage, and placement of trash. The Case Manager and Veteran Support Specialist will help mediate any disputes that arise.
 - c. Constructive use of time: Each participant will be encouraged to identify ways to make productive use of time such as volunteer work, hobbies, exercise, taking classes, using public resources such as libraries and museums, and socialization. Staff will assist Veterans in finding ways to spend time productively at low cost or through free activities.
- 13. Transportation: The ability to use public transportation is an important skill of independent living, and the use of public transportation is one of the life skills that will be taught to Veterans. VASH Case Managers will assist in coordinating transportation for

off-site services. U.S.VETS will assist the Veteran in obtaining bus passes, transit cards, or using services such as Dial-A-Ride and Access by teaching the Veteran how to obtain such services and may accompany a Veteran if needed.

- 14. Family reunification and social support networks: When possible, VASH Case Manager will directly, or through referral to other services, will help facilitate repair of relationships between the Veteran and family members, and will work with the Veteran to develop strong social support networks through other activities, which might include self-help support groups, recreational groups, other Veterans, neighbors, or faith communities. U.S.VETS Veteran Support Specialist will coordinate on-site and off-site community activities in collaboration with VASH Case Managers and manage activity calendar.
- 15. Social Events and Holiday/Cultural Celebrations: U.S.VETS will coordinate a variety of resident gatherings on-site such as potluck dinners, movie nights, coffee hours, games, among others on a regular basis for the community to enjoy and to encourage healthy living. In addition, Veterans will be referred to off-site community activities.
- 16. Veteran Council Coordination: U.S.VETS will organize a Veteran Council on-site and other mechanisms such as surveys for Veteran participation in planning and evaluating services and policies. The council will meet at least quarterly to provide tenant feedback to management and plan activities. There will also be a regular Town Hall meeting in which residents are invited to share feedback with staff. These methods will ensure that residents are involved in making facility decisions that affect their lives.
- 17. Peer Mentors: Veterans with longer stays in the facility or those who are more stabilized volunteer to welcome and mentor newly admitted residents. Veterans guide and support each other while they become stronger, more self-determined individuals, through the process of helping another. U.S.VETS Veteran Support Specialist will connect Veteran residents to each other for peer support within the living environment. VASH Case Managers may also refer Veterans to VA peer mentoring programs.
- 18. Peer support groups: U.S.VETS will coordinate peer support groups as needed and based off of Veteran choice and interest. VASH Case Managers will refer Veterans to off-site community-based groups at community centers, churches, and other social services agencies which will also support integration with the greater Los Angeles community.
- 19. Therapeutic Stations/Community Volunteering: U.S.VETS Veteran Support Specialist will coordinate therapeutic stations which are therapeutic tools used to assist veterans with developing or enhancing everyday living skills for self-sufficiency, increasing

marketable skills and experience that can help them be successful in gaining employment, increasing their sense of purpose, and increasing their sense of belonging to a community. Veterans take on roles that can represent positive progress from their prior situation to now being stably housed and a natural progression of being rewarded for stabilizing by taking a leadership and supportive role with responsibilities that are earned. Examples of therapeutic stations on-site include: Greeter/Lobby Receptionist, Career Center Attendant, Computer Trainer, Donation Room Attendant, Outreach Assistant, Grounds Crew, Laundry Room Attendant, Fitness Room Attendant, Library Attendant, Activities Assistant, Movie Night Coordinator, etc. The Veteran Support Specialist will also encourage Veterans to participate as volunteers on campus and/or in the general community and assist in connecting them to such opportunities based on their interests.

- 20. Food Bank/Meal Support: VASH Case Managers will assist Veterans in accessing food stamps and food pantries as well as programs they may qualify for such as Meals On Wheels. In addition, U.S.VETS operates a commercial kitchen at its Inglewood facility in which Veterans may be assisted with a meal in the event of an emergency. Resources for managing diet and nutrition will also be secured as needed to assist the Veterans in meal planning and any activities related to nutrition will be included in the activity calendar managed by U.S.VETS Veteran Support Specialist.
- 21. Liaise with The Management Company (property management) and VASH staff on client support: U.S.VETS Veteran Support Specialist will participate in regular meetings and activities to address client behaviors and monitor for client welfare to include following up with clients on late rents, conducting welfare checks, facilitating town hall meetings, etc.

Sources and uses budget

The HUD-VASH Program will provide case managers (either VA employees or, should VA decide to contract out the VASH services, a competitively selected third-party provider) for the project. A portion of the operating budget will also be used to fund the non-VASH U.S.VETS' roles. Additional funding will also be sought through Los Angeles County under Measure H, Department of Health Services, and/or Department of Mental Health to supplement services as allowable. It is expected that these resources will be secured for all on-site services and cover the service budget.

EXHIBIT "F"

TENANT SELECTION PLAN

WEST LA VA, BUILDING 207 **TENANT SELECTION PLAN**

11301 Wilshire Blvd., Los Angeles, CA 90025

August 26, 2020

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Tenant Selection Plan

This Tenant Selection Plan (TSP) guides all leasing protocol and steps which will be consistently applied to all applicants in a non-discriminatory fashion and in accordance with all applicable fair housing and civil rights laws. Thomas Safran and Associates is the Management Company and U.S. Vets is the non-profit partner.

SECTION 1 - INITIAL TENANT SELECTION PROCESS

Section 1.1 Initial Tenant Selection Process

The initial tenant selection will be accomplished through collaboration with the VA Greater Los Angeles Healthcare System (VA). The non-profit partner of the project, U.S.VETS, will conduct field outreach to Veterans who are living on the streets and in shelters and transitional housing programs to locate Veterans who may be eligible for the project. U.S.VETS will facilitate referrals from the Continuum of Care (CoC) Coordinated Entry System (CES) and various community programs including U.S.VETS' bridge and transitional housing programs. Because the project has been awarded HUD-VASH project-based vouchers, U.S.VETS will collaborate with VA and the Los Angeles County Development Authority (LACDA) to seek out Veterans who qualify for vouchers to include prioritized populations of chronically homeless Veterans. U.S.VETS will meet with VA to determine if there are any known Veterans approved for HUD-VASH who may be eligible for the project. U.S.VETS will also refer Veterans from its outreach efforts to VA to be assessed for the HUD-VASH program. U.S.VETS and VA will track Veterans who are referred for HUD-VASH for this project. As part of the assessment, the Vulnerability Index - Service Prioritization Decision Assistance Tool (VI-SPDAT) screening tool will be utilized to prioritize Veterans based on acuity level and housing needs. After prioritization occurs VA will notify U.S.VETS as each Veteran is approved for HUD-VASH. Referrals will be provided to the Management Company in the order in which they are approved by VA for HUD-VASH. U.S.VETS will help facilitate the referral process of each applicant to Thomas Safran Associates (the "Management Company"). All applicants must be a Veteran of the United States Armed Forces and able to produce a Form DD214 or equivalent with any discharge status except dishonorable.

Section 1.1.1 Preference

The target population for this project is United States Armed Forces Veterans, who meet eligibility criteria and have been assessed and prioritized through collaboration with VA for permanent supportive housing.

Preference will be given for senior (62+) Homeless Veterans, with emphasis on those who are disabled, and/or chronically homeless, who qualify for HUD-VASH vouchers as awarded to this project. Special targeted consideration will be given to the very vulnerable Veterans who have characteristics associated with negative exits from other housing programs, which include:

- Poor engagement with primary care
- Serious mental illness
- Substance use disorders
- High rates of Emergency Department utilization
- Recent hospitalizations (for medical or psychiatric reasons)
- Cognitive impairments

VA clinical and social services programs (e.g., via Mental Health Intensive Case Management [MHICM], the Dual Diagnosis Treatment Program [DDTP], the homeless-Patient Aligned Care Team [H-PACT], and geriatric medicine) will augment the program, developing innovative models of project-based supportive housing that fill the housing gaps described above. A minimum of 50% of the units are intended to serve individuals with special needs who are chronically homeless Veterans as required by funding sources. Units will not be set-aside or restricted by gender, race, ethnicity, or other protected group in accordance with Fair Housing laws. In alignment with Fair Housing practices, eligible Veterans will be accepted based on the order of referral. For units not designated for chronically homeless, the remainder of the assisted units will target eligible Veterans with mid-level or low-level acuity who may or may not meet the definition of chronically homeless but are in need of affordable housing. Non-Veteran applicants will not be added to the referral list.

1.1.2 Verification of Preference

As part of the review process, applicants will be contacted directly to provide verification and evidence supporting any of the preferences identified. All applicants must be a Veteran of the United States Armed Forces and be able to produce a Form DD214 or equivalent with any discharge status except dishonorable. Falsification of any preference may be grounds for application denial. VA staff will verify that the applicants referred qualify for the HUD-VASH program, which prioritizes applicants who are chronically homeless. The Management Company will request and review the verification of preference documents (Form DD214, proof of birthdate) during the initial eligibility interview.

Section 1.2 Marketing Summary (see Marketing Plan, Attachment A)

As outlined in the Marketing Plan, U.S.VETS and Management Company will rely on the affirmative marketing efforts of the CoC via CES as well as referrals from VA and other

outreach conducted by U.S.VETS and community partners. Marketing and outreach will be targeted to Veterans through street and community outreach so that both Veterans and community partners are aware of this housing option and the process for applying.

The Management Company will set up a website and hotline. The hotline and website provide information to the public about the project and unit preferences.

Section 1.3 Tracking Applications

Management Company will enter information from the fully completed applications received from U.S.VETS into a database in the ranking order provided by U.S.VETS. Applicants will complete the application on paper independently or with assistance from a caseworker. Incomplete applications will be returned to U.S.VETS for completion and re-submittal. They will be securely hand-delivered, emailed, or faxed to the Management Company's leasing office for processing. Applications will be reviewed in the order of the date/time the referral is received from U.S.VETS.

The ranking order of applicants will be:

- 1. Applicants who qualify for the chronically homeless senior Veteran preference and HUD-VASH, if awarded.
- 2. Applicants who qualify for the senior Veteran preference but do not qualify for HUD-VASH if there are any non-HUD-VASH units in the project and available.
- 3. Applicants who are eligible under funding sources but do not qualify for any of the preferences if there are non-HUD-VASH units in the project and available.

Section 1.4 Preference System

Preferences apply to the Project as stated in Section 1.1. Applicants who meet the criteria for the preference will be referred by U.S.VETS. U.S.VETS will not refer applicants who do not qualify for the preference.

Section 1.5 Initial Selection Process: Referrals

A sufficient number of applicants will be referred by U.S.VETS (based on HUD-VASH referrals for any units that are designated as HUD-VASH) during the lease-up to ensure that all units will be filled with qualified applicants and account for sufficient applicant loss for denial due to screening criteria, the inability or choice not to move in when the building is completed, etc.

Mobility/Audio/Visual Accessible Units: Handicap units will be assigned on a first-referred basis to those who require the assistive units. There are 7 Mobility units and 3 Audio/Visual units. All units follow the universal design requirements.

Section 1.6 Pre-Interview Screening

Interviews will be scheduled in the order of the date/time the referral is received from U.S.VETS. Applicant interviews will be held as described in SECTION 2 – TENANT SCREENING & SUITABILITY FOR RESIDENCY. Applicant interviews will be conducted by the Management Company leasing staff. The first applicants referred will be notified that an interview is needed for the qualification process. Applicants that do not satisfy the screening criteria will be sent a rejection letter by the Management Company leasing staff, stating the reason for their rejection, instructions for obtaining a copy of the consumer report used in making that decision, as well as information about where to send a letter to appeal the rejection. In referral order, those that pass the initial credit and background check will be qualified until all units have a qualified applicant. A select number of applicants may be interviewed and prepared for a unit but may not receive a unit if all applicants ranked higher than them qualify. This is necessary to assure that sufficient applicants are ready to move in if another applicant changes their mind when it comes time to move into the units. Rejection letters will be sent to those interviewed that did not meet the minimum screening criteria or did not qualify during any other phase of the qualification process.

Section 1.7 Selection of Qualified Applicants

Offers of residency shall be made in order of referral based upon suitable units available. Upon approval of an applicant for residency following income verification, eligibility qualification, and screening for suitability as described below in SECTION 2 – TENANT SCREENING & SUITABILITY FOR RESIDENCY, the applicant shall either be offered residency if there is a suitable unit available or their name shall be added to the referral list according to their referral order.

Section 1.8 Matching Household Characteristics with Available Units

In selecting a household to occupy a particular unit, the Management Company will notify U.S.VETS who will interface with VA to collaborate on matching referred applicant's household characteristics with the type of unit available. Matching households to units according to household size, household characteristics, and number of bedrooms is not only acceptable, but necessary to comply with occupancy standards and local codes. Household characteristics include, but are not limited to, number of household members, accessibility needs, and income level. Units must be assigned according to referral date/time, household size, and household composition to maximize unit utilization. Occupancy standards are in place to prevent the over- or underutilization of units. Individual household composition cases will be reviewed by the Management Company to ensure appropriate unit utilization per HUD Multifamily Occupancy Handbook 4350.3 v.4; 3-23 Occupancy Standards. The Management Company will make the final determination that unit assignment is compliant. The

Management Company will first offer units with special accessibility features to households with persons with disabilities requiring such features.

Section 1.9 Taking Future Referrals

Referrals will be submitted when units are available. When necessary to fill a vacancy, referrals will be submitted by U.S.VETS as described in SECTION 5 – REFFERAL LIST MANAGEMENT.

Section 1.10- Housing First Principles in Permanent Supportive Housing

This project will screen applicants and support residents to maintain their tenancy using Housing First principles, in compliance with SB1380. As such, the following practices will apply:

- Applicants will be considered for tenancy regardless of their current sobriety or past use
 of substances, completion of treatment, or participation in services. Participation in services or
 program compliance is not a condition of application approval. The use of alcohol or drugs in
 and of itself, without other lease violations, is not a reason for denial of tenancy or eviction
 once housed.
- Applicants will not be rejected on the basis of poor credit or financial history, poor or lack of rental history, criminal convictions unrelated to tenancy, housekeeping ability, or behaviors that indicate a lack of "housing readiness."
- Once housed, residents are able to work with Case Managers and Service Coordinators
 who are trained in and actively employ evidence-based practices for client engagement,
 including, but not limited to, motivational interviewing and client-centered counseling.
- Services are informed by a harm-reduction philosophy that recognizes drug and alcohol use and addiction as a part of tenants' lives, where tenants are engaged in nonjudgmental communication regarding drug and alcohol use, and where tenants are offered education regarding how to avoid risky behaviors and engage in safer practices, as well as connected to evidence-based treatment if the tenant so chooses.

SECTION 2 – TENANT SCREENING & SUITABILITY FOR RESIDENCY

Section 2.1 Screening for Suitability

Screening is used to help ensure that households approved for residency will abide by the terms of the lease, pay rent on time, take care of the property and unit, and allow all residents to peacefully enjoy their homes. Information collected through the screening process enables management to make informed and objective decisions to admit applicants who are most likely to comply with the terms of the lease. An effective screening policy will also ensure fair, consistent, and equal treatment of applicants. All screening criteria adopted by management are described herein and will be consistently applied to all applicants in a non-discriminatory fashion and in accordance with all applicable fair housing and civil rights laws.

Housing First policy will be practiced by the Management Company and all others involved in screening applicants. It will be practiced by minimizing barriers to enter housing and focusing on preventing loss of housing. Barriers are minimized by not adding preconditions for housing approval within the project beyond minimum qualifications, such as not mandating demonstration of sobriety, completion of addiction treatment or other programs, or compliance with a treatment regimen.

While tenants and applicants are not required to participate in services as a condition of tenancy, supportive services will be proactively offered to help Veterans achieve and maintain housing stability. A Therapeutic Community model is utilized to encourage participation of Veterans and instill a sense of belonging and camaraderie. Efforts are made to prevent lease violations and evictions and instead manage behavioral issues through therapeutic interventions and redirection whenever possible. Harm reduction techniques can confront and mitigate the harms of drug and alcohol use through non-judgmental communication, while motivational interviewing may be useful in helping households acquire and utilize new skills and information. Rather than moving towards eviction proceedings immediately, the Management Company and U.S.VETS will communicate to determine any alternative options. In the event that eviction is necessary, U.S.VETS will make every effort to assist Veterans in finding other permanent housing to avoid a return to homelessness. Please see the Services Plan found in Exhibit E: Operations and Maintenance Plan, for more details.

In the case of a denial, a denial letter will be sent to the applicant; the applicant will have fourteen (14) days to respond and continue with the qualification process. The applicant has this opportunity to provide additional, clarifying, or corrected information to support their application for residency. The applicant may contact the Management Company office to go over the reason(s) for rejection and will be offered opportunities to appeal the denial. The appeal documentation must be mailed, e-mailed, faxed, or hand delivered to the Management

Company's leasing office. Applicants that are not responsive and request to be reinstated within fourteen (14) days of receiving the denial letter will only be assigned a unit based on availability at the time they complete their qualification process. Persons with disabilities have the right to request reasonable accommodations to participate in the appeal process.

At time of Confirmation of Interest (prior to background screening) the applicant will be encouraged to provide supporting documentation that will assist in the Management Company's decision to approve their application.

Supporting documentation examples:

- Credit: Evidence of financial literacy courses, financial payment plans, or any other applicable third-party documentation.
- Criminal: Evidence of rehabilitation efforts, proof of an accurate criminal record or any other applicable third-party documentation.

All applicant(s) will be screened for:

- 1. Rental history
- 2. Credit history
- 3. Criminal history
- 4. Drug-related history
- 5. General criteria

Section 2.1.1 Landlord Reference Checks

Current and previous landlord checks will be performed on all applicants to obtain information on the applicant's rental history. Evictions for cause, other than non-payment of rent, may be considered if the reason for eviction demonstrates that the applicant may pose a risk to the health and safety of the community, residents, and or property. Consideration will be given to applicants that do not have a recent rental history and a landlord check may not be feasible.

Section 2.1.2 Acceptable Credit/Credit Worthiness

Due to the Special Needs nature of applicants for affordable supportive communities many applicants have no or negative credit. Accordingly, we cannot rely on customarily used credit scoring devices when assessing an applicant's credit worthiness. Excessive collection accounts will not be the basis for denial of applicants but credit will be run and reviewed so that all parties are aware of the applicant's history and if there is a need to provide them with support, money management courses, etc.

Applicants will have the option to explain mitigating circumstances and/or include supplemental information with their application to explain any issues such as foreclosure,

bankruptcy, and negative credit. Collection accounts within three years exceeding \$15,000 may be grounds for review. Student loans or medical debt will not be considered when calculating collection accounts.

Persons with Disabilities may be entitled to reasonable accommodations. Applicants will be made aware of their right to reasonable accommodation in cases where disability status is a contributing factor to poor credit or evictions.

Section 2.1.3 Criminal Background Check

The Management Company will not tolerate criminal activity on or around the complex. The Management Company will conduct criminal background check for all prospective applicants including live-in attendants. The following items may be grounds for denial of application:

Only felony convictions within 5 years from date of application that were for violent criminal activity that may pose a risk to the health and safety of the community, residents, and or property.

Section 2.1.4 Conduct and Drug Related History

Applicants whose conduct causes a threat to the health, safety or right to peaceful enjoyment of the premises by other residents (this includes any current charge or any past conviction for manufacture or sale of illegal drugs within the past 3 years) will be dismissed. Any household member evicted from federally assisted housing for drug-related criminal activity will not be considered for residency. No member of a household may currently be engaged in any drug-related criminal activity, violent criminal activity, or other criminal activity that would threaten the health, safety or right to peaceful enjoyment of the premises. Convictions for drug distribution will be grounds for rejection.

Section 2.1.5 Fraud

Applicants with a history of fraud in any HUD rental assistance program are not eligible for housing at this property. Falsification of information provided on the rental application may also be grounds for application denial.

Section 2.2 Other Grounds for Rejection

Other grounds for applicant rejection include and are not limited to:

1. Applicant's household size does not comply with the occupancy limits for the available unit. The following guidelines are set regarding number of occupants per dwelling unit. These guidelines are set to avoid overcrowding or underutilization of limited affordable housing opportunities. Section 8305 (b) of the Uniform Multifamily Regulations states

that the minimum number of persons in household per the chart below. Typically, households that do not meet occupancy limit guidelines would not be referred.

- a. A studio unit has a minimum occupancy of one (1) person and a maximum occupancy of two (2) persons.
- b. A one-bedroom unit has a minimum occupancy of one (1) person and a maximum occupancy of three (3) persons.
 - i. Every household member regardless of age is to be counted as a person. This includes household members in the military or in school; anyone that will occupy the unit during the upcoming 12 months. In accordance with the Low-Income Housing Tax Credit Program and the Tax Credit Allocation Committee of the State of California, unborn children will be counted for family size in determining annual income.
- 2. Applicant was unable to provide identification which verified their identity.
- 3. Applicant has submitted an incomplete application and has not taken steps to remedy.
- 4. Applicant has provided false, inconsistent, or inaccurate information on their application.
- 5. Applicant has failed to attend agreed upon time for an application appointment or interview on two instances or in general does not respond, is slow to respond, or does not respond by the agreed upon due dates for applicant information requested by the management team.
- 6. All adult household members did not attend the application interview as required.
- 7. Applicant was abusive or uncooperative with management during the application process when asked to provide required information or documentation.
- 8. Applicant altered information and/or deliberately provided misinformation regarding his/her income, current status or history.

See Section 2.1. for information on denial letters.

Section 2.3 Appeals

Applicants that have been denied and wish to appeal the denial are encouraged to provide all relevant documentation with their letter of appeal so that the appeal can be reviewed quickly and accurately. All appeals must be in writing. Onsite social services staff will be available to assist applicants with the appeals process, as needed.

Below are some suggestions for documentation to provide to help in the review of appeals:

- 1. Collections exceed the \$2,000 threshold
 - a. Payment agreements with creditors
 - b. Documentation that debt has been paid in full
 - c. Written documentation from the creditor indicating that the debt does not belong to the applicant

- d. Evidence of a stable rental subsidy, financial literacy courses, financial counseling, payment plans, or any other third-party documentation that may assist in providing management with evidence of attempts to reconcile collections, judgments, liens, charge offs and bankruptcies.
- 2. Bankruptcy Documentation that bankruptcy was due to extreme extenuating circumstances.
- 3. Eviction on record Written documentation from the landlord or court indicating that the eviction record does not belong to the applicant
- 4. Criminal Records
 - a. References from current landlords or neighbors
 - b. Proof that the behavior that led to the crime has been mitigated through rehabilitation, counseling, participation in social services.
 - c. Evidence of rehabilitation efforts
 - d. Proof of an inaccurate criminal record
 - e. Any other applicable third-party documentation
- 5. Unable to provide appropriate Identification Submit appropriate identification

SECTION 3 – APPLICANT INTERVIEW, INCOME VERIFICATION & DATA COLLECTION

Section 3.1 Applicant Interview

At the interview, the Management Company will:

- 1. Confirm and update all information provided on the application for residency.
- 2. Explain applicable city, county, state, or federal program requirements, verification procedures, and penalties for false information.
- 3. Obtain household income, asset and composition information, and other data needed to verify eligibility. Each eligible applicant will be provided with third-party verification forms which are to be filled out by the income provider or the applicant if the applicant is self-employed (whereupon a signed affidavit with a tax return, if any, must be provided).
- 4. Verify in writing all income from all sources, including but not limited to:
 - a. Employment
 - b. Savings and checking accounts: interest, income, pension, and/or public assistance
 - c. Disability
 - d. Asset verification: property, home, stocks, bonds, annuities, IRA, etc.
 - e. Social security
- 5. Inform the applicant that income is calculated based upon the applicant's annual gross income and that annual gross income includes income from assets.
- 6. Inform the applicant of the screening requirements used by management. Consent to check landlord or credit history will also be obtained.
- 7. Require the head of household, spouse, or co-head to give a written certification as to whether any household member did/did not dispose of any assets for less than fair market value during the two years preceding the effective date of the certification/recertification.
- 8. The certification must include a list of all assets disposed of for less than fair market value, the dates disposed of, the amount received, and the asset's market value at the time of disposition.
- 9. Tell the applicant(s) that a final decision on eligibility cannot be made until all verifications are complete.
- 10. Inform the applicant(s) that federal laws prohibit management from discriminating against individuals with disabilities.
- 11. Notification of Selection: Upon successful completion of the interview process, management will send a Welcome Letter to the household.

Section 3.2 Income Criteria

Applicants must have incomes below 50% of the median income for the Los Angeles area due to the VASH Project Based Vouchers allocated to the property. These may vary by the time of occupancy.

Section 3.2.1 Current Income Limits

The income limits are set annually by the U.S. Department of Housing and Urban Development (HUD) and change on an annual basis.

Section 3.3 Rents and Security Deposits

The proposed rents may vary by the time of occupancy and will be subject to annual increases. All units at the property are expected to be VASH Project Based Vouchers (PBV) and rent will be calculated by the LACDA and will be based on the applicant's adjusted gross income.

The applicant must pay the first month's rent (pro-rated if applicable) and security deposit with a money order or cashier's check at the time of move-in. The security deposit is typically equal to one month's rent.

If an applicant is unable to pay the security deposit in full, they are permitted to pay the deposit in \$50 monthly installments until the deposit is paid in full.

Section 3.4 Implementing Screening Reviews

All screening activities will occur prior to approval of tenancy. Screening will occur prior to the full eligibility review.

Section 3.5 Ensuring That Screening Is Performed Consistently

To ensure that applicants are treated consistently during the screening process, the Management Company will:

- 1. Use consistent staffing: The Management Company will use a limited number of staff to conduct the screening.
- 2. Provide instructions: Develop step-by-step instructions for staff who conduct screening activities to ensure consistency.
- 3. Use standard forms: Whenever possible, use standard forms to document fair practices and to increase the likelihood that each applicant will receive the same consideration.
- 4. Use objective criteria: For example, when interviewing an applicant's former landlord about rent payment and rental history, the Management Company will ask fact-based questions. The Management Company will avoid subjective questions that ask for opinions or do not directly relate to the tenant's ability to meet the requirements of the lease.

West LA EUL Building 207 Exhibit F: Tenant Selection Plan

5. Follow a formal, written process for collecting information: The Management Company will only request the information required on the standard forms used to determine applicant eligibility, unless additional information or documentation is necessary to clarify information provided or required.

SECTION 4 – APPLICANT REJECTION

Section 4.1 Rejecting Applicants

The Management Company will promptly notify the applicant in writing of the denial of admission. If the applicant does not have an address management will attempt to mail correspondence via fax, e-mail or via the care of a case/social worker. See Section 4.3.

Section 4.2 Notification of Applicant Rejection

Rejection notices will be in writing and will include:

- 1. The specifically stated reason(s) for the rejection
- 2. The applicant's right to respond to management in writing within fourteen (14) days of written notification of denial to dispute the rejection.
- 3. Persons with disabilities have the right to request reasonable accommodations to participate in the informal hearing process.
- 4. See Section 2.3 above regarding the Appeals process.

Section 4.3 Compliance with Section 504 of the Rehabilitation Act of 1973, The Fair Housing Act Amendments of 1988 and Title VI of the Civil Rights Act of 1964 In compliance with Section 504 of the Rehabilitation Act of 1973, applicants will not be discriminated against on the basis of disability. In compliance with The Fair Housing Act, applicants will not be discriminated against based on race, color, religion, sex, national origin, disability, or familial status. In compliance with Title VI of the Civil Rights Act of 1964, applicants will not be discriminated against on the basis of race, color, or national origin. The Management Company will comply with the provisions of the California Tax Credit Allocation Committee, City of Los Angeles, and the Los Angeles County affirmative fair marketing guidelines, and as applicable, other Federal, State and Local law prohibiting discrimination in the lease or rental or in the use, occupancy or tenure of enjoyment of the property, or any part thereof on the basis of race, color, religion, sex (including gender, gender identity, gender expression, pregnancy, childbirth, and other related medical conditions), sexual orientation and identity, national origin/ancestry, age, disability, marital/familial status, Veteran status, citizenship status, political activities or affiliations, medical condition, genetic information, persons with AIDS or AIDS related condition or any other consideration made unlawful by federal, state, or local laws or on the basis of their receipt of, eligibility for, housing assistance programs or on the basis that the resident have a minor child or children who will be residing with them or any other arbitrary basis. Any person claiming authority under or through the Project will not establish or permit any such practices of discrimination or segregation with references to the selection, location, number, use or occupancy of tenants or lessees in the project. All criteria shall be applied equitably, and all information considered on an applicant

shall be related solely to the attributes and behavior of individual members of the household as they may affect residency.

All rental advertisements will bear the fair housing logotype and slogan, and any information sheet will also indicate accessibility to the disabled. A Fair Housing poster will be displayed in the rental office and where the initial rent-up process will occur.

Section 4.4 Modification of the Tenant Selection Plan

Management will review the Tenant Selection Plan regularly to ensure that it reflects current operating practices and program requirements. No changes to this Tenant Selection Plan or the processes described herein shall occur without the prior written approval of the Designated VA Representative.

Section 4.5 Notification of Modification to the Tenant Selection Plan

If necessary, the Management Company will provide notification to applicants on the referral list and other interested persons (potential applicants) of the implementation of any new or revised tenant selection plan or policies that may affect an application or tenancy.

SECTION 5 - REFERRAL LIST MANAGEMENT

Section 5.1 Creating and Maintaining Referral Lists

The Management Company will not create a waiting list as all applicants during the initial lease-up and ongoing will be referred from U.S.VETS via collaboration with VA as vacancies arise. Instead, a referral list will be created that will track and document all referrals received from U.S.VETS to be used as vacancies arise.

5.1.1 Occupancy and Utilization Reports

The Management Company will provide VA with a current tenant referral list not less than every 90 days or within 15 days of VA's written request. The list shall identify the order when referrals were received, and whether each referral is a Veteran or non-Veteran.

Once operational, annual reports will be provided that include metrics and outcomes such as: occupancy, permanent housing retention, income stability, rent payment compliance, and other metrics as needed. The Management Company will provide a draft report template to VA within 180 days of occupancy of the Facility for VA to review and approve. Each year thereafter, the Management Company and VA will review the template together and agree on any necessary modifications.

Section 5.2 Data Included on the Referral List

The referral list will include the following data taken from the application:

- 1. Name of head of household
- 2. Address
- 3. Phone #
- 4. Household size
- 5. Requested bedroom size
- 6. Identification of the need for an accessible unit
- 7. All applicable preferences

Section 5.3 Documenting Changes to Referral Lists

Whenever a change is made in the referral list, an action is taken, or an activity specific to an applicant occurs, a notation and a date of change will be made on the referral list.

Independent reviewers looking at the referral list will be able to:

- 1. Find an applicant on the referral list.
- 2. Readily confirm that an applicant was housed at the appropriate time based on preference and rank number.
- 3. Trace various actions taken with respect to a family's application for tenancy.

Section 5.4 Record-Keeping

The Management Company will retain current applications as long as their status on the referral list is active, which is not expected to be for longer than a vacancy exists at the property. Once the applicant is taken off the referral list and/or the unit is filled, management will retain the application, initial rejection notice, applicant reply, copy of management's final response, and all documentation supporting the reason for removal from the list for three (3) years. When an applicant moves in to the property, the application will be maintained in the tenant file for the duration of the tenancy and for the number of years required by all regulatory programs after the tenant leaves the property (will vary based on age of property at time of move-in). All files will be kept secure so that personal information remains confidential. The applicant's or tenant's file will be available for review by the applicant or tenant upon request or by a third party who provides signed authorization for access from the applicant or tenant. The Management Company will dispose of applicant and tenant files and records in a manner that will prevent any unauthorized access to personal information, e.g., burn, pulverize, shred, etc.

Section 5.5 Ongoing Management of Preferences

The preferences will remain in effect as outlined in Section I of this document.

Section 5.6 Matching Applicants Referred to Available Units

Once referrals are received, the Management Company will then determine eligibility, perform tenant screening, and decide whether the applicant can be housed.

Section 5.7 Obtaining Referrals from U.S.VETS

When a unit becomes vacant, the Management Company will notify U.S.VETS. U.S.VETS will collaborate with VA to identify applicants for referral as outlined in Section 1.1 above. After screening, The Management Company will make a final determination of eligibility and suitability for tenancy.

Detailed notes will be kept by the resident manager when attempting to lease up a vacant unit and when updating the referral list in the process. The notes on the referral list will include the following:

- 1. Unit number that was offered to applicant.
- 2. Date and time applicant was contacted.
- 3. Method used to contact applicant (phone or mail).
- 4. Outcome of contact with each applicant.

Section 5.8 Marketing and Opening of the Referral List

Throughout the duration of the EUL, the Management Company will be required to market the project to eligible Veterans or at-risk Veterans and their families, beginning at least 60-90 days prior to lease-up date. The Management Company's marketing strategy must include on-going collaboration and coordination with the local VA homeless housing coordinator and local supportive services providers, to maximize Veterans access. The Management Company will be required to provide VA with an annual marketing outreach plan and a monthly written status update on outreach activities.

Section 5.9 Precedence of Unit Transfers

When a unit becomes available, unit transfer requests submitted by current tenants will be considered before applicants are referred. Unit transfers for existing tenants within the building will only be permitted for a reasonable accommodation or over/under-utilization of the unit. An in-house transfer waiting list will be maintained on a first-come first-served basis. All tenants will be advised of the transfer policy.

The property's transfer policies will incorporate the following requirements:

- 1. Transfer requests must be accompanied by supporting documentation for the request.
- 2. When a unit is available, the person requesting the move must take the first available unit of the appropriate size. Refusal of the offered unit removes the tenant's name from the in-house transfer list.
- 3. All costs associated with the transfer are the sole responsibility of the tenant making the transfer, unless the Management Company is requiring the transfer.
- 4. A transfer must be completed within two (2) days of receiving the keys for the new unit. For every day beyond the two (2) allowed days, rent for both units will be prorated for the time the tenant occupies (has keys) for both units. The prorated rent will be at the market rent, not the subsidized rent.
- 5. Requests will be placed on the "TRANSFER WAITING LIST" according to the date the manager received the request from a tenant.
- 6. Property Supervisor may transfer a tenant in greater need that can be documented.
- 7. Units identified as "Accessible" will receive first priority.

Acceptable reasons for transfer include:

- 1. Emergency transfers for victims of domestic violence, dating violence, sexual assault, or stalking.
- 2. Tenant transferring for a reasonable accommodation.
- 3. Over/under utilization of a unit.
- 4. Tenant leased an "Accessible Unit" and does not require the accessible features.
- 5. Reduced household income resulting in excess housing cost burden that may be alleviated by a unit with a lower rent level, as available.

West LA EUL Building 207 Exhibit F: Tenant Selection Plan

All requests will be considered, and the Management Company reserves the right to accept or deny requests.

SECTION 6 - VERIFYING THE NEED FOR ACCESSIBLE UNITS

Residents will be matched to an available unit that best meets their specific accommodation requirements in rank order with an adjustment required for those of the highest level of need as determined by the Management Company.

The Management Company will take reasonable steps to maximize the utilization of accessible units by eligible individuals whose disability requires the accessibility features of the particular unit. To this end, any vacant, accessible unit will first be offered to a current, disabled tenant of the development. The disabled occupant must require the features in the vacant unit and must be occupying a unit not having such features. If no such occupant exists, the Management Company will then offer the unit to a qualified occupant on the referral list who has a disability requiring the accessibility features of the unit.

The application will include a section to be filled out by applicants requesting an accommodation with details on the applicant's special needs for accessible features or other accommodations. Applicants will not be required to disclose a disability under any circumstances unless requesting accommodation. Special outreach efforts will be made to the disability community through notices describing: the availability of all units, specific information regarding the availability and features of accessible units, eligibility criteria, and application procedures.

ATTACHMENT A- MARKETING PLAN

Management Office Contact Information

The address and contact information for the TSA management office are as follows:

11301 Wilshire Blvd., Los Angeles, CA 90025

Lease-Up Hotline: 323-390-9338 *TTY: 800-855-7100

During construction, a sign will be placed at the site with the hotline number for interested applicants to call for further information. When they call the phone number, interested applicants will hear a recorded message giving them information on the project and the anticipated date applications will be accepted. The recording will also provide information to prospective residents on submitting their name, address, and phone number so they can be placed on a mailing list when application information is available. The recording will be updated as needed.

Veteran Marketing and Preference

Throughout the duration of the EUL, the Management Company will market the project to eligible Veterans beginning at least 60-90 days prior to lease-up date. The marketing strategy will include on-going collaboration and coordination with the local VA homeless housing coordinator and local supportive services providers to maximize Veterans access. U.S.VETS will also market to potential tenants by conducting field outreach to Veterans who are living on the streets, in shelters and transitional housing programs, or receiving services from U.S.VETS or other nonprofit partners across the homeless and Veteran services continuums. U.S.VETS will facilitate referrals from these community programs and from U.S.VETS' bridge and transitional housing programs across Los Angeles County. U.S.VETS will also market housing availability on website and social media platforms. U.S.VETS will collaborate with VA and CES to streamline the process for Veterans, including assessing Veterans, ensuring eligibility, and making additional service connections.

The Management Company will provide VA with an annual marketing outreach plan and a monthly written status update on outreach activities.

Marketing Efforts for those with Accessible Housing Needs

Special outreach efforts will be made to the disability community through notices describing: the availability of all units, specific information regarding the availability and features of accessible units, eligibility criteria, and application procedures. Flyers will be mailed, and efforts will be made to contact the organizations listed on Attachment C.

Affirmative Fair Housing Marketing Compliance

The Management Company will comply with the provisions of the California Tax Credit Allocation Committee and the City of Los Angeles affirmative fair marketing guidelines, and as applicable, other Federal, State and Local law prohibiting discrimination in the lease or rental or in the use, occupancy or tenure of enjoyment of the property, or any part thereof on the basis of race, color, religion, sex (including gender, gender identity, gender expression, pregnancy, childbirth, and other related medical conditions), sexual orientation and identity, national origin/ancestry, age, disability, marital/familial status, source of income, Veteran status, citizenship status, political activities or affiliations, medical condition, genetic information, persons with AIDS or AIDS related condition or any other consideration made unlawful by federal, state, or local laws or on the basis of their receipt of, eligibility for, housing assistance programs or on the basis that the resident have a minor child or children who will be residing with them or any other arbitrary basis.

The Management Company will also comply with all requirements set forth for Limited English Proficiency applicants and residents. West LA VA Building 207 or any person claiming authority under or through them will not establish or permit any such practices of discrimination or segregation with references to the selection, location, number, use or occupancy of tenants or lessees in the project. All criteria shall be applied equitably, and all information considered on an applicant shall be related solely to the attributes and behavior of individual members of the household as they may affect residency. Efforts will be made to affirmatively market to eligible applicants deemed least likely to apply for housing in this development.

All rental advertisements will bear the fair housing logotype and slogan, and any information sheet will also indicate accessibility to the disabled. A Fair Housing poster will be displayed in the rental office and where the initial rent-up process will occur.

A temporary leasing office will be set up prior to occupancy and will be staffed with leasing agents to help prospective applicants who may need assistance in completing the application, or who would like more information about West LA VA, Building 207.

Overview of Outreach

Marketing Outreach Efforts:

TSA will create marketing materials including a website, flyers, newspaper ads, and information sheets. Flyer and ad examples are attached to the plan (Attachments D and E). Marketing materials will state that the property is an Equal Housing Opportunity.

Informational Flyers and E-mails

Informational flyers or e-mails will be sent to individuals and local organizations which may include community centers, service agencies, community and neighborhood groups, local merchants, and businesses, as listed on Attachment C. These flyers/e-mails will provide information regarding the application distribution timeline and corresponding eligibility requirements.

Newspaper Ads

Prior to occupancy, newspaper advertisements will be placed with City and County newspapers and publications which may include: WAVE, La Opinion, Korea Times, and Craigslist. Advertisements will be translated to the primary language that the publication is printed in. Application information may also be posted on housing.lacounty.gov and chirpla.org.

Website: tbd

EXHIBIT "G" MEMORANDUM OF LEASE

EXHIBIT "G"

MEMORANDUM OF LEASE

THIS MEMORANDUM OF ENHANCED-USE LEASE ("Memorandum") is made as of the 29 day of October, 2020, by and between THE SECRETARY OF VETERANS AFFAIRS, AN OFFICER OF THE UNITED STATES, ON BEHALF OF THE DEPARTMENT OF VETERANS AFFAIRS ("Lessor") and VA BUILDING 207 LP, a California Limited Partnership ("Lessee").

WITNESSETH:

1. <u>Agreement of Lease</u>. Lessor leases to Lessee a certain parcel of land described in Exhibit "A" attached hereto, for an initial term of 75 years, commencing on the Effective Date, together with the non-exclusive right to use the Access Roads as set forth in the Lease. For more information, the parties to the Lease may be contacted at the following addresses:

LESSOR: Department of Veterans Affairs

Office of Asset Enterprise Management (044)

810 Vermont Avenue, N.W. Washington, D.C. 20420

Attn: Designated VA Representative

LESSEE: VA Building 207 LP

11811 San Vicente Blvd Los Angeles, CA 90049 Attn: Jordan Pynes, President

With Copies to Leasehold Mortgagees and Tax Credit Investor:

Wells Fargo Affordable Housing Community Development

Corporation MAC D1053-170

301 South College Street, 17th Floor

Charlotte, NC 28288

Attn: Director of Tax Credit Asset Management

Los Angeles County Development Authority

700 West Main Street Alhambra, CA 91801 Attn: Executive Director Fax No. (626) 943-3816 Los Angeles County Development Authority 700 West Main Street Alhambra, CA 91801 Attn: Director of Housing Investment and Finance Fax No. (626) 943-3816

City of Los Angeles
Housing and Community Investment Department
P.O. Box #532729
Los Angeles, CA 90053-2729
Attention: Portfolio Management Unit (HIMS# 19-126546)
CC: Director of Finance and Development Division

Wells Fargo Bank, National Association 301 S. College Street, MAC D1053-170 Charlotte, North Carolina 28288 Attention: Manager, CLI Deal Management

With a copy to:

Wells Fargo Bank, National Association Community Lending and Investment MAC #E2064-092 333 S. Grand Avenue, 7th Floor Los Angeles, California 90071 Attention: Christian M. von Merkatz Loan No. 1019790

California Community Reinvestment Corporation 100 West Broadway, Suite 1000 Glendale, California 91210 Attention: President

- 2. <u>Provisions of Lease</u>. The provisions set forth in the Lease, dated as of even date with this Memorandum and entered into between Lessor and Lessee, are hereby incorporated into this Memorandum by reference. In the event of any conflict between the provisions of the Lease and this Memorandum, the provisions of the Lease shall control.
- 3. <u>Miscellaneous</u>. This Memorandum shall inure to the benefit of and be binding upon the parties hereto and their respective successors, assigns and legal representatives. This Memorandum shall be governed by and enforced in accordance with the laws of the United States and, to the extent such laws do not apply, then by the laws of the State of California without regard to its principles of conflicts of law.

IN WITNESS WHEREOF, Lessor and Lessee have executed this Memorandum on the date first set forth above.

THE UNITED STATES DEPARTMENT OF VETERANS AFFAIRS ENHANCED-USE LESSOR

$_{\text{\tiny By:}}$ (b) (6)	41			
Name: C. Brett Simms				
Title: Designated VA Representat Pursuant to a delegation of a		December 17, 201	19	
STATE OF MARYLAND)			
COUNTY OF MONTGOMERY)			
I, the undersigned, a Notary Public certify that C. Brett Simms as the U		Market Services	2 275 M 90	, hereby
Representative did sign the foregoi	ing instrument thi	is <u>29</u> day of <u>(</u>	OCTOBER	_, 2020
Andrew E. Fiske Notary Public		ANDREW E. FYFE ary Public-Maryl Montgomery County Commission Exp October 31, 2022	and y	

My commission expires: $10 \int 31 \int 2022$

[VA Building 207, LP] Enhanced-Use Lessee

VA Building 207 LP,, a California limited partnership

By: VA Building 207 LLC, a California
Limited liability company its administrative
general partner

By:
Name: Renee Groves
Title: Chief Financial Officer

By: Housing Corporation of America, a Utah Nonprofit corporation, its managing general Partner

By:__ (b) (6)
Name: Carol Cromar
Title: President

By: West Los Angeles Veterans Collective LLC, a California limited liability company, its co-general partner

By:___ (b) (6)
Name: Kenee Groves
Title: Secretary

CALIFORNIA ALL- PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

, accaracy,	or validity of that document.
State of California	}
County of Los Angeles	}
On 21 OCTOBER, 2020 before me	e, _C. Ramamurthi, Notary Public
personally appeared RENE	(riere insert name and title of the officer)
name(s) is/are subscribed to the with he/she/they executed the same in his	isfactory evidence to be the person(s) whose in instrument and acknowledged to me that s/her/their authorized capacity(ies), and that by
I certify under PENALTY OF PERJUF the foregoing paragraph is true and co	RY under the laws of the State of California that orrect.
WITNESS my hand and official seal.	C. RAMAMURTHI
C. RS.	Notary Public - California Los Angeles County Commission # 2257939
Notary Public Signature (N	Notary Public Seal)
ADDITIONAL OBTION	Biographic
DESCRIPTIONAL OPTIONAL INFORMAT DESCRIPTION OF THE ATTACHED DOCUMENT MEMORAN DUM (Title or description of attached document) LEASE	if needed, should be completed and attached to the document. Acknowledgments from other states may be completed for documents being sent to that state so long law. State and County information must be the State and County where the document signer(s) personally appeared before the peters within 6.
(Title or description of attached document continued) Number of Pages Document Date	must also be the same date the acknowledgment is completed. The notary public must print his or her name as it appears within his or her commission followed by a comma and then years the commission followed by a comma and then years the commission followed by a comma and then years the commission followed by a comma and then years the commission followed by a comma and then years the commission followed by a comma and then years the commission followed by a comma and then years the commission followed by a comma and then years the commission followed by a comma and then years the commission followed by a comma and then years the commission followed by a comma and then years the commission followed by a comma and then years the commission followed by a comma and then years the commission followed by a comma and then years the commission followed by a comma and then years the commission followed by a comma and then years the commission followed by a comma and then years the commission followed by a commissi
CAPACITY CLAIMED BY THE SIGNER ☐ Individual (s) ☐ Corporate Officer	Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. he/she/they, is /are) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording. The notary seal impression must be close and with the correct forms.
(Title) □ Partner(s) □ Attorney-in-Fact □ Trustee(s)	 sufficient area permits, otherwise complete a different acknowledgment form. Signature of the notary public must match the signature on file with the office of the county clerk. Additional information is not required but could halve.
Other015 Version www.NotaryClasses.com 800-873-9865	acknowledgment is not misused or attached to a different document. Indicate title or type of attached document, number of pages and date. Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).

Securely attach this document to the signed document with a staple.

2015 Version www.NotaryClasses.com 800-873-9865

STATE OF [] Utah	
CITY OF [] Doden)	
	in the second se
The foregoing instrument was acknowledged before this 20 day of, 2020.	me in <u>Ogden</u> , <u>Vtah</u> ,
Notary Public	JENNIFER PARKINSON Notary Public • State of Utah Commission # 692817 My Commission Expires January 10, 2021

My commission expires: January 10, 2021

EXHIBIT "A" LEGAL DESCRIPTION FOR THE MEMO OF LEASE

MEMORANDUM OF LEASE

THIS MEMORANDUM OF ENHANCED-USE LEASE ("Memorandum") is made as of the 29th day of October 2020, by and between THE SECRETARY OF VETERANS AFFAIRS, AN OFFICER OF THE UNITED STATES, ON BEHALF OF THE DEPARTMENT OF VETERANS AFFAIRS ("Lessor") and VA Building 207 LP, a California Limited Partnership ("Lessee").

WITNESSETH:

1. Agreement of Lease. Lessor has leased to Lessee a certain parcel of land described in Exhibit "A" attached hereto, for an initial term of [75] years, commencing on [October 29, 2020] (hereinafter, the "Lease") together with the non-exclusive right to use the Access Roads as set forth in the Lease. For more information, the parties to the Lease may be contacted at the following addresses:

LESSOR:

Department of Veterans Affairs

Office of Asset Enterprise Management (004B)

810 Vermont Avenue, N.W. Washington, D.C. 20420

Attn: Designated VA Representative

LESSEE:

VA Building 207 LP 11811 San Vicente Blvd Los Angeles, CA 90049 Attn: Jordan Pynes, President

With Copies to Leasehold Mortgagees and Tax Credit Investor:

Wells Fargo Affordable Housing Community Development

Corporation

MAC D1053-170

301 South College Street, 17th Floor

Charlotte, NC 28288

Attn: Director of Tax Credit Asset Management

Los Angeles County Development Authority

700 West Main Street Alhambra, CA 91801

Attn: Executive Director

Fax No. (626) 943-3816

Los Angeles County Development Authority

700 West Main Street

Alhambra, CA 91801 Attn: Director of Housing Investment and Finance Fax No. (626) 943-3816

City of Los Angeles
Housing and Community Investment Department
P.O. Box #532729
Los Angeles, CA 90053-2729
Attention: Portfolio Management Unit (HIMS# 19-126546)
CC: Director of Finance and Development Division

Wells Fargo Bank, National Association 301 S. College Street, MAC D1053-170 Charlotte, North Carolina 28288 Attention: Manager, CLI Deal Management

With a copy to:

Wells Fargo Bank, National Association Community Lending and Investment MAC #E2064-092 333 S. Grand Avenue, 7th Floor Los Angeles, California 90071 Attention: Christian M. von Merkatz Loan No. 1019790

California Community Reinvestment Corporation 100 West Broadway, Suite 1000 Glendale, California 91210 Attention: President

- 2. <u>Provisions of Lease</u>. The provisions set forth in the Lease, dated as of even date with this Memorandum and entered into between Lessor and Lessee, are hereby incorporated into this Memorandum by reference. In the event of any conflict between the provisions of the Lease and this Memorandum, the provisions of the Lease shall control.
- 3. <u>Miscellaneous</u>. This Memorandum shall inure to the benefit of and be binding upon the parties hereto and their respective successors, assigns and legal representatives. This Memorandum shall be governed by and enforced in accordance with the laws of the United States and, to the extent such laws do not apply, then by the laws of the State of California without regard to its principles of conflicts of law.

IN WITNESS WHEREOF, Lessor and Lessee have executed this Memorandum on the date first set forth above.

THE UNITED STATES DEPARTMENT OF VETERANS AFFAIRS ENHANCED-USE LESSOR

$_{\text{By:}}$ (b) (6)	-			,	_	-	
Name: C. Brett Simms							
Title: Designated VA Representative Pursuant to a delegation of au		dated: Dec	ember	17, 20	19		
		: ' '	i e e				
STATE OF MARYLAND)		÷,			· :	
COUNTY OF MONTGOMERY)		•		:		
I, the undersigned, a Notary Public in the State of Maryland, County of Montgomery, hereby certify that C. Brett Simms as the U.S. Department of Veterans Affairs Designated Representative did sign the foregoing instrument this 29 day of 0000 day of 00000 day. ANDREW E. FYFE Notary Public-Maryland							
Notary Public		Notary P Montg My Com	ublic-M omery C	iaryla County Expir			

My commission expires: 10 31 20 22

[VA Building 207, LP] Enhanced-Use Lessee

VA Building 207 LP,, a California limited partnership

By: VA Building 207 LLC, a California
Limited liability company its administrative
general partner

By:
Name: Kenee Groves

Title: Chief Financial Officer

By: Housing Corporation of America, a Utah Nonprofit corporation, its managing general Partner

By:__ (b) (6)

Name: Carol Cromar

Title: President

By: West Los Angeles Veterans Collective LLC, a California limited liability company, its co-general partner

By:__ (b) (6)
Name: Kenee Groves
Title: Secretary

CALIFORNIA ALL- PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached. and not the truthfulness, accuracy, or validity of that document.

State of California	}
County of Los Angeles	}
name(s) is/are subscribed to the within he/she/they executed the same in his/he	actory evidence to be the person(s) whose instrument and acknowledged to me that er/their authorized capacity(ies), and that by ent the person(s), or the entity upon behalf of
I certify under PENALTY OF PERJURY the foregoing paragraph is true and cor	under the laws of the State of California that rect.
WITNESS my hand and official seal.	C. RAMAMURTHI Notary Public - Galifornia Los Angeles County Commission # 2257939 My Comm. Expires Sep 13, 2022
Notary Public Signature (No	stary Public Seal)
ADDITIONAL OPTIONAL INFORMATION DESCRIPTION OF THE ATTACHED DOCUMENT MEMORAN DUM (Title or description of attached document) LEASE (Title or description of attached document continued) Number of Pages Document Date	INSTRUCTIONS FOR COMPLETING THIS INTERPRETATIONS FOR COMPLETING THIS INTERPRETATIONS FOR COMPLETING THIS INTERPRETATION This form complies with current California statutes regarding notarity if needed, should be completed and attached to the document. Acknowing the wording does not require the California notary to violate California. State and County information must be the State and County where signer(s) personally appeared before the notary public for acknowing the document of notarization must be the date that the signer(s) personally must also be the same date the acknowledgment is completed. The notary public must print his or her name as it appears we commission followed by a comma and then your title (notary public Print the name(s) of document signer(s) who personally appear notarization.
CAPACITY CLAIMED BY THE SIGNER Individual (s) Corporate Officer (Title) Partner(s) Attorney-in-Fact	 Indicate the correct singular or plural forms by crossing off inco he/she/they, is /are) or circling the correct forms. Failure to correct information may lead to rejection of document recording. The notary seal impression must be clear and photographical impression must not cover text or lines. If seal impression smud sufficient area permits, otherwise complete a different acknowledg Signature of the notary public must match the signature on file with county clerk.

NS FOR COMPLETING THIS FORM

rent California statutes regarding notary wording and, ted and attached to the document. Acknowledgments upleted for documents being sent to that state so long uire the California notary to violate California notary

- tion must be the State and County where the document red before the notary public for acknowledgment,
- be the date that the signer(s) personally appeared which the acknowledgment is completed.
- print his or her name as it appears within his or her comma and then your title (notary public).
- iment signer(s) who personally appear at the time of
- ar or plural forms by crossing off incorrect forms (i.e. cling the correct forms. Failure to correctly indicate this jection of document recording.
- on must be clear and photographically reproducible. r text or lines. If scal impression smudges, re-seal if a erwise complete a different acknowledgment form.
- blic must match the signature on file with the office of
 - Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - indicate title or type of attached document, number of pages and date.
 - Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- · Securely attach this document to the signed document with a staple.

2015 Version www.NotaryClasses.com 800-873-9865

Trustee(s)

Other

STATE OF [] UTAN	
CITY OF [] Daden	
The foregoing instrument was acknowledged before me in this 20 day of October, 2020.	in <u>Ogden</u> , <u>Vtah</u>
Sotary Public	JENNIFER PARKINSON Notary Public • State of Utah Commission # 692817 My Commission Expires January 10, 2021

My commission expires: January 10, 2021

CALIFORNIA ALL- PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached. and not the truthfulness, accuracy, or validity of that document

and not the training too, accuracy, or v	analty of that document.
State of California	}
County of Los Angeles	}
On Zi OCTOBER, 2020 before me, _	(Here insert name and little of the officer)
name(s) is/are subscribed to the within he/she/they executed the same in his/he	actory evidence to be the person(s) whose instrument and acknowledged to me that er/their authorized capacity(ies), and that by ent the person(s), or the entity upon behalf of
I certify under PENALTY OF PERJURY the foregoing paragraph is true and cor	under the laws of the State of California that rect.
WITNESS my hand and official seal.	C. RAMAMURTHI Notary Public - California Los Angeles County Commission # 2257939 My Comm. Expires Sep 13, 2022
Notary Public Signature (No	otary Public Seat)
•	INCOMPLICATION OF THE PROPERTY
ADDITIONAL OPTIONAL INFORMATI	INSTRUCTIONS FOR COMPLETING THIS FORM This form complies with current California statutes regarding notary wording and,
DESCRIPTION OF THE ATTACHED DOCUMENT	if needed, should be completed and attached to the document. Acknowledgments from other states may be completed for documents being sent to that state so long
MEMORANOUM OF	as the wording does not require the California notary to violate California notary
(Title or description of attached document)	 lanv. State and County information must be the State and County where the document
LEACE	signer(s) personally appeared before the notary public for acknowledgment.
(Title or description of attached document continued)	 Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
Number of Pages Document Date	. The notary public must print his or her name as it appears within his or her
2004 Million of Fugos 2004 Million 2410	commission followed by a comma and then your title (notary public). • Print the name(s) of document signer(s) who personally appear at the time of
CADACITY OF MINED BY THE GIONED	notarization.
CAPACITY CLAIMED BY THE SIGNER	 Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. he/she/they, is /are) or circling the correct forms. Failure to correctly indicate this
☐ Individual (s)☐ Corporate Officer	information may lead to rejection of document recording.
- Oorborate Onicei	 The notary scal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a
(Title)	sufficient area permits, otherwise complete a different acknowledgment form.
☐ Partner(s)	Signature of the notary public must match the signature on file with the office of

Attorney-in-Fact

2015 Version www.NotaryClasses.com 800-873-9865

Trustee(s)

Other

the county clerk. Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.

- Indicate title or type of attached document, number of pages and date.
- Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document with a staple.

EXHIBIT "A" LEGAL DESCRIPTION FOR THE MEMO OF LEASE

Order No: 09172841-917-CG8-KRE

EXHIBIT "A"

All that certain real property situated in the County of Los Angeles, State of California, described as follows:

PARCEL 1:

THOSE PORTIONS OF THE RANCHO SAN VICENTE Y SANTA MONICA SHOWN IN PATENTS BOOK 3, PAGES 30 AND 31, TOGETHER WITH THE RANCHO SAN VICENTE Y SANTA MONICA KNOW AS VILLA FARMS, SHOWN IN BOOK 70, PAGES 54 THROUGH 56, INCLUSIVE OF MISCELLANEOUS RECORDS, TOGETHER WITH THE SANTA MONICA LAND AND WATER COMPANY TRACT, SHOWN IN BOOK 78, PAGES 44 THROUGH 49, INCLUSIVE OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHERLY TERMINUS OF THAT PARTICULAR COURSE WITH A BEARING OF NORTH 35°23'45" WEST, A DISTANCE OF 1466.30 FEET, AS SHOWN ON THAT RECORD OF SURVEY RECORDED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AS BOOK 282, PAGES 19 THROUGH 23; THENCE NORTH 35°23'45" WEST ALONG SAID LINE, A DISTANCE OF 86.82 FEET; THENCE SOUTH 54°36'15" WEST, A DISTANCE OF 483.98 FEET TO THE TRUE POINT OF BEGINNING;

THENCE SOUTH 37°33'07" EAST, A DISTANCE OF 90.19 FEET; THENCE SOUTH 43°09'51" EAST, A DISTANCE OF 67.79 FEET, TO THE BEGINNING OF A TANGENT CURVE, CONCAVE WESTERLY, HAVING A RADIUS OF 42.00 FEET; THENCE SOUTHWESTERLY ALONG SAID CURVE, 80.30 FEET, THROUGH A CENTRAL ANGLE OF 109°32'53"; THENCE SOUTH 66°23'02" WEST, A DISTANCE OF 110.45 FEET, TO THE BEGINNING OF A TANGENT CURVE, CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 801.00 FEET; THENCE SOUTHWESTERLY ALONG SAID CURVE, 145.18 FEET, THROUGH A CENTRAL ANGLE OF 10°23'05"; THENCE SOUTH 76°46'08" WEST, A DISTANCE OF 49.80 FEET; THENCE NORTH 13°13'52" WEST, A DISTANCE OF 222.06 FEET; THENCE NORTH 74°11'25" EAST, A DISTANCE OF 119.09 FEET; THENCE NORTH 69°41'33" EAST, A DISTANCE OF 39.33 FEET; THENCE NORTH 66°59'00" EAST, A DISTANCE OF 36.90 FEET; THENCE NORTH 69°34'59" EAST, A DISTANCE OF 51.19 FEET, TO THE BEGINNING OF A TANGENT CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 15.00 FEET; THENCE SOUTHEASTERLY ALONG SAID CURVE, 19.08 FEET, THROUGH A CENTRAL ANGLE OF 72°51'54" TO THE TRUE POINT OF BEGINNING.

PARCEL 2:

A NON-EXCLUSIVE ACCESS RIGHT OF WAY ON, OVER, ACROSS AND THROUGH SUCH PAVED ROADS, INCLUDING, BUT NOT LIMITED TO "BONSALL AVENUE" AND "ARNOLD AVENUE" LOCATED WITHIN THE VA GREATER LOS ANGELES HEALTHCARE SYSTEM, WEST LA CAMPUS, LOS ANGELES, CALIFORNIA ("VAMC"), OR AS MAY BE NOW OR HEREAFTER LOCATED ON THE VAMC, FOR THE PURPOSE OF PROVIDING THE "LESSEE" UNDER THE ENHANCED-USE LEASE DATED OCTOBER 29, 2020 (AS ASSIGNED AND/OR AMENDED FROM TIME TO TIME), ITS SUCCESSORS AND ASSIGNS, AND ITS PERMITTEES WITH (I) VEHICULAR AND PEDESTRIAN INGRESS TO, EGRESS FROM, AND ACCESS BETWEEN THE PROPERTY LEASED PURSUANT TO SAID ENHANCED-USE LEASE AND ADJACENT STREETS, ROADWAYS AND RIGHTS-OF-WAY WITHIN THE VAMC TO A POINT OF PUBLIC ACCESS OR A PUBLIC STREET, AND (II) FOR PASSAGE, CONSTRUCTION, INSTALLATION, MAINTENANCE, REPAIR, REPLACEMENT AND USE OF UTILITY LINES, PIPES, WIRES, CONDUITS, FLUES, DUCTS, LINES AND OTHER EQUIPMENT INCLUDING WITHOUT LIMITATION, ELECTRICITY, GAS, WATER, COMMUNICATIONS, SEWER AND STORM DRAINAGE FROM THE SURROUNDING PUBLIC THOROUGHFARES TO THE PROPERTY LEASED PURSUANT TO SAID ENHANCED-USE LEASE AND TO A POINT OF PUBLIC ACCESS OR A PUBLIC STREET.

Order No: 09172841-917-CG8-KRE

Assessor's Parcel Number: 4365-007-903 (portion)

EXHIBIT "H"

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE – LEASE RIDER

EXHIBIT "H"

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE – LEASE RIDER

Free recording in accordance with California Government Code Section 27383

RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

California Tax Credit Allocation Committee 915 Capitol Mall, Rm 485 Sacramento, CA 95814

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

LEASE RIDER AGREEMENT (TAX CREDITS)

Ground Lease

TCAC NUMBER CA-PROJECT NAME

THIS LEASE RIDER AGREEMENT (the "Lease Rider Agreement") is dated this day of , and is made and entered into for reference purposes only, by and among the Secretary of Veterans Affairs, an officer of the United States on behalf of the Department of Veterans Affairs (the "Lessor"), (the "Lessee"), and the California Tax Credit Allocation Committee, a public agency of the State of California established under Section 50199.8 of the Health and Safety Code ("TCAC") in consideration of the following facts and circumstances:

- A. Lessor is the fee simple owner of that certain real property described in Exhibit A to the Lease attached hereto and incorporated herein (the "Property");
- B. Lessor and Lessee entered into the following ground lease of the Property: that certain Enhanced-Use Lease of Certain Real Property and Facilities at the

Greater Los Angeles Healthcare System West LA Campus, Los Angeles, California, dated , which is available for public viewing (the "Lease") and a memorandum of which was recorded in the official records of Los Angeles County, California, as Instrument No. (the "Memorandum of Lease");

- Pursuant to the Lease, Lessee has agreed to acquire a leasehold in the Property for a term described below in Paragraph 2.f. which is at least as long as the TCAC Regulatory Agreement and to develop, acquire, construct, rehabilitate, renovate, own, operate and manage a rental housing development on the Property consisting of not less than residential rental units [and nonresidential space(s) approved by TCAC]. During the term of the Lease, Lessee is the owner of all of those certain buildings, improvements and fixtures now or hereafter erected on the Property described in the lease, and all appurtenances thereto now or hereafter affixed to, placed upon or used in connection with such real property and owned by Lessee or in which Lessee has an interest, together with all additions to, substitutions for, changes in or replacements of the whole or any part of said articles of property (collectively, the "Improvements"). Collectively, the Lessee's leasehold interest in the Property and its interest in the Improvements constructed pursuant to the Lease are hereinafter sometimes referred to as the Development (the "Development");
- D. TCAC has authorized an allocation of federal [and state] low-income housing tax credits by a Reservation Letter dated (the "Allocation") to Lessee to finance, in part, the Development, pursuant to the Low Income Housing Tax Credit Program ("Program"). The Allocation is subject to numerous terms and conditions, including without limitation, the execution and delivery of this Lease Rider Agreement and the TCAC Regulatory Agreement which sets forth certain use restrictions affecting the Development, which TCAC Regulatory Agreement is to be recorded in County, as required by Section 42 of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder (collectively, "Section 42");
- E. As a further condition of the Allocation and pursuant to the requirements of the Program, Lessee and TCAC [have entered] [will enter] into a Regulatory Agreement, including any amendments thereto (the "Regulatory Agreement"), securing performance related to the Allocation, and governing the use, occupancy, operation, management and ownership of the Development. Consistent with the provisions of Section 17 hereof, Lessor and Lessee have agreed that the provisions of this Lease Rider govern the relationship between Lessor and Lessee with respect to the specific provisions of this Lease Rider;

F. In order to induce TCAC to make the Allocation, Lessor and Lessee have agreed to enter into and record this Lease Rider Agreement for the benefit of TCAC, its successors, and assigns; and

G. It is the intent of TCAC that TCAC will exercise its rights and remedies under this Lease Rider Agreement only after written notice of any Lease defaults have been provided to Lessor, any Senior Lender, the Tax Credit Partner, and any other party known by TCAC to have either an ownership or other equitable interest in the Development. In addition, it is the intent of TCAC that the exercise of its rights and remedies under this Lease Rider Agreement generally shall be undertaken as part of a judicial action in a court of competent jurisdiction unless Lessor and any Senior Lenders otherwise agree.

NOW THEREFORE, in consideration of the foregoing recitals and the mutual covenants hereinafter contained, TCAC, Lessee and Lessor hereby agree as follows:

1. Definitions and Lease Rider Term.

- a. As used herein, "Leasehold" means all of Lessee's leasehold interest in the Property described in Exhibit A, pursuant to the Lease, together with all options contained in the Lease or granted in connection with the Lease, all other rights of Lessee under the Lease, and all subleases entered into in connection with the Lease (the "Subleases").
- b. For the purposes of this Lease Rider Agreement, "Lessor's current knowledge" means information known to Lessor based solely upon a reasonably diligent review of the Designated VA Representative's (DVR) contract file, but without any expectation or duty by Lessor to investigate, at the time of execution of this Lease Rider.
- c. For the purposes of this Lease Rider Agreement, TCAC is deemed a "leasehold Mortgagee" as that term is used in the Lease and lessor's execution of this Lease Rider Agreement is deemed delivery for the purposes of Article 20. B. and C.1.
- d. For the purposes of this Lease Rider Agreement, the holders of all mortgages and any other lenders approved by TCAC and all successors and assigns thereof including the holders of any mortgage lien against the Improvements or Lessee's interest in the Leasehold are collectively referred to as "Senior Lenders." For the purposes of this Lease Rider Agreement, TCAC is deemed a "Leasehold Mortgagee" as that term is used in the Lease and Lessor's execution of this Lease Rider Agreement is deemed to be Lessor's approval of TCAC as a Leasehold Mortgagee for purposes of Article 20.C and written notice of the name and address of the Leasehold Mortgagee. Lessor acknowledges that no Leasehold Mortgage will be delivered in connection with approval of TCAC as a Leasehold Mortgagee.

- e. <u>Lease Rider Agreement Term</u>. This Lease Rider Agreement becomes effective on the date the TCAC Regulatory Agreement is recorded and remains in effect for at least the term of the Regulatory Agreement. Upon the expiration or sooner termination of the TCAC Regulatory Agreement, this Lease Rider Agreement shall terminate and be of no further force or effect.
- 2. Representations and Warranties of Lessor and Lessee. Lessor and Lessee hereby represent and warrant to TCAC as of the date of this Lease Rider Agreement as follows:
 - a. <u>Title</u>. (1) <u>By Lessor</u>: Lessor represents to TCAC that, to the best of Lessor's current knowledge, Lessor has jurisdiction and control over the Property which is described in and subject to the Lease. To Lessor's current knowledge, all existing easements and rights of way, whether or not recorded, have been disclosed to Lessee pursuant to Article 5, Paragraph A of the Lease. Lessee has agreed that any such easements and rights of way will not and do not interfere with Lessee's ability to complete construction of the Project and operate it for the term and in the manner agreed to in the Regulatory Agreement. A copy thereof is attached to this Lease Rider Agreement as Attachment
 - (2) By Lessee: [If applicable, OPTION 1:] Lessee has entered ("the Agreement") dated into an agreement with for a to further assist the Development which will be loan of \$ secured by , all as more fully described under the Agreement. The Agreement provides for to be provided with a security interest as to the Development. Lessee warrants and represents that it [has provided/will provide] TCAC with a copy of the Agreement [which is subject to TCAC approval] [which previously was approved by TCAC] [and TCAC acknowledges receipt of such Agreement] prior to execution of this Lease Rider Agreement.

[If applicable, OPTION 2]: Lessee has entered into one or more loan agreements ("the Agreement(s)") which will be secured as more fully described in the Agreement(s). Lessee warrants and represents that it [will provide/has provided] a true and correct copy of said Agreement(s) to TCAC as part of TCAC's placed in service review, for which the issuance of the IRS Form 8609 shall constitute approval.

b. <u>Priority</u>. Lessor represents to TCAC that, to the best of Lessor's current knowledge, the Lease is superior to any and all mortgage liens on the Property and, to the best of Lessor's current knowledge, nothing encumbers the Property which would interfere with Lessee's ability to construct and operate the Development on the Property.

c. <u>Transfers by Lessor</u>. Lessor represents to the best of Lessor's current knowledge that it has not assigned, mortgaged, or otherwise hypothecated or transferred, or agreed to assign, mortgage or otherwise hypothecate or transfer, its interest in the Property in whole or in part except for matters of record at the time of execution of this Lease Rider Agreement.

d. Status of Lease. Lessor represents that:

- (1) Lessor is the current Lessor under the Lease. To the best of Lessor's current knowledge, the Lease is in full force, the Lease is not void, voidable or terminable as of the date hereof without an uncured default by Lessee, and to the best of Lessor's current knowledge, there has been no default thereunder on the part of Lessee nor has any event occurred which, with the giving of notice or the passage of time, or both, would be an event of default thereunder. Lessor has not given notice of any violation under the Lease to Lessee. Lessor has not been informed of and has not otherwise received notice from Lessee or from any other person or entity concerning any alleged default on the part of Lessor under the Lease. To the best of Lessor's current knowledge, there exist no defenses or offsets to enforcement of the Lease by Lessee.
- (2) Any consent or approval of any third party (including any lender or government agency) that is required in order for Lessor to deliver this Lease Rider Agreement has been obtained.
- (3) To the best of Lessor's current knowledge, no alterations, improvements or additions now exist on the Property that have not been approved by the Lessor.
- e. Other Agreements. All terms and conditions of the Lessee's tenancy under the Lease are set forth in the Lease and Lessor and Lessee each certify to the best of its knowledge that there have been no other agreements and no further or other supplements, amendments, modifications or extensions thereof except those submitted to and approved by TCAC.
- f. <u>Lease Term</u>. The date of the commencement of the Lease term is and will end on unless terminated sooner pursuant to its terms. All conditions precedent to the effectiveness of the Lease or the exercise of any of Lessee's rights thereunder at the effective date of the Lease have been fully satisfied.

g. <u>Development</u>. To the best of Lessor's current knowledge, the Improvements constructed, or to be constructed, by Lessee on the Property satisfy or are expected to satisfy all requirements affecting the design, use or characteristics of such Improvements imposed by Lessor under the Lease or otherwise, including a requirement by Lessor for Lessee to comply with any and all applicable provisions of federal, state and local laws, including but not limited to Title 24, California Code of Regulations, the "California Building Standards Code" in effect at the time the permits are issued, subject to any valid amendments by the City of Los Angeles (see CA Health & Safety Code Section 17958) and all agreements with any public entities concerning the Development, as amended from time to time. When lessor's approval is required for repairs, the consent will not be unreasonably or arbitrarily withheld or delayed.

h. <u>Insurance</u>. All notices, certificates, binders, endorsements, copies of policies, and receipts required under the Lease have been delivered to and approved by Lessor.

Cancellation, Transfer of Interest.

a. Subject to the rights of Senior Lenders and the Tax Credit Partner and the matters of record on the Lessee's Leasehold interest and only to the extent necessary or appropriate pursuant to such matters of record, Lessor and Lessee agree that so long as TCAC, its successor or assigns holds the Regulatory Agreement encumbering the Development, no termination of the Lease or efforts by Lessor to terminate the Lease and no subordination, cancellation, surrender, amendment or modification of the Lease shall be effective without the prior written consent of TCAC, which consent shall be in TCAC's reasonable discretion and may be conditioned upon the satisfaction of such terms and conditions not inconsistent with Lease as TCAC may reasonably prescribe. TCAC shall have 30 days after its receipt of such a notice and any clarifications thereof requested by TCAC to consent to or deny any such variation from those obligations. Failure by TCAC to act within such a 30-day period shall constitute consent to such a variation. Any attempt by Lessor to take such action shall be void without TCAC's prior written consent or implied consent as provided for in this Section 3.a. For the purposes of the provisions of this subsection, TCAC will be granted the same rights as granted a "Leasehold Mortgagee" pursuant to Article 20.D. of the Lease.

b. Subject to the rights of Senior Lenders and the Tax Credit Partner, the notice and consent provisions in Section 20(D)(1) of the Lease, and the matters of record on the Lessee's Leasehold interest and only to the extent necessary or appropriate pursuant to such matters of record,

Lessor agrees that it shall not transfer, convey, sell, hypothecate, assign, encumber or permit any liens against its interest, or any portion thereof, in the Property unless Lessor requires, and any purchaser, assignee, or transferee agrees, that the purchaser, assignee, or transferee will expressly assume all obligations of Lessor under the Lease and this Lease Rider Agreement.

- c. <u>Foreclosure</u>. Nothing contained in this Lease Rider Agreement shall prevent a Senior Lender from foreclosing on its security interest or accepting a conveyance in lieu of foreclosure.
- d. <u>No Merger</u>. There shall be no merger of the Lease or any interest in the Lease, nor of the Leasehold interest, with the fee estate in the Property if the Lease or such interest therein, or such Leasehold interest may be directly or indirectly held by or for the account of any person who shall hold the fee estate in the Property, or any interest in such fee estate, nor shall there be such a merger by reason of the fact that all or any part of the Leasehold interest created thereby may be conveyed or mortgaged in a leasehold mortgage, deed of trust, or other security instrument to a leasehold mortgage that shall hold the fee estate in the Property or any interest of the Lessor under the Lease.

Consent to Assignment, Payment of Rent.

- a. Subject to the rights of Senior Lenders, and the matters of record on the Lessee's Leasehold interest and only to the extent necessary or appropriate pursuant to such matters of record, Lessor hereby consents to and approves the following, subject to the Lease and including such consents or approvals as are required under the Lease:
 - (1) Lessee's encumbering the Lease, the Leasehold by the Regulatory Agreement; possession of the Leasehold by TCAC or by a receiver under the Regulatory Agreement; and sale of the Leasehold pursuant to a court order or other agreement enforcing the Regulatory Agreement;
 - (2) Assignments to TCAC or its designee of any subleases and any and all rents from such subleases; and
 - (3) Sale or assignment of all or any part of any interest in the Leasehold to any purchaser or transferee pursuant to a court order or other agreement enforcing the Regulatory Agreement (such purchaser or transferee, including TCAC, is collectively referred to as the "Transferee"), and to any subsequent transfers (all such

assignments, transfers, and subsequent transfers referred to in this Lease Rider Agreement as the "Transfer").

b. Nothing in this Lease Rider Agreement, in the Regulatory Agreement or in the Lease shall impose on TCAC the obligations of Lessee under the Lease or require TCAC to assume the Lease unless TCAC takes possession or ownership of the Development pursuant to a court order or other agreement under the Regulatory Agreement, or becomes the lessee under the Lease or a Replacement Lease (defined in Article 20.F.2. of the Lease).

5. Notice of Defaults; Termination Notice.

- a. <u>Notice and Cure</u>. Subject to the terms of the Lease, Lessor shall provide concurrently to TCAC a written copy of all notices and demands, including, without limitation, notices of default or breach which Lessor gives, delivers, or sends to a Leasehold Mortgagees pursuant to the Lease, and for the purposes of this subsection, TCAC will be granted the same rights as granted a Leasehold Mortgagee pursuant to Article 20.D. and 20.E. of the Lease.
- b. Termination Notice. Subject to the terms of the Lease, after the expiration of the grace period given Lessee under the Lease to cure a default, Lessor shall give TCAC a written notice (the "Termination Notice") that Lessee has failed to cure the default within the grace period. Lessor shall not terminate the Lease, unless, after giving of such Termination Notice and after the expiration of the time afforded TCAC as a "Leasehold Mortgagee" to cure Lessee's default under Article 20.E. of the Lease (including any additional time which VA approves by written consent in its sole discretion) TCAC fails to remedy an uncured Lessee default. In the event the default results in the existence of an immediate or imminent serious health and safety threat to the residents or the public, Lessor may request TCAC to approve a shorter termination date which shall not be unreasonably denied. In addition, TCAC may waive its right to the period to cure if TCAC determines that it will not take action to effect a cure for the default. No Termination Notice shall become effective to terminate the Lease if:
 - (1) Except as provided in <u>Section 5.c.</u>, within the applicable cure period under the Lease (including any additional time which VA approves by written consent in its sole discretion), TCAC cures all defaults which can be cured by payment or expenditure of money or without possession of the Development; or provides reasonable assurance and undertakings for the cure of such default. To effect a

cure of Lessee's default, TCAC may, subject to the rights of all Senior Lenders, make any repair of improvement, do any other act or thing required of Lessee under the Lease, or do any act or thing which may be necessary or proper to prevent termination of the Lease. TCAC and its agents and contractors, subject to the rights of all Senior Lenders, shall have full access to the Property and Improvements for purposes of accomplishing the curing of defaults under the Lease. Any of the foregoing done by TCAC shall be as effective to prevent a termination of the Lease as the same would have been if done by Lessee; or

- (2) TCAC commences and diligently pursues judicial and/or administrative proceedings commenced under the Regulatory Agreement to cure a default.
- (3) But if TCAC has not cured a default upon the expiration of such Termination Notice pursuant to Subsection (1) above or fails to commence and diligently pursue a cure pursuant to Subsection (2) above, and subject to compliance with other provisions of this Section 5.b.and any limitations on termination in the Lease, Lessor may terminate the Lease and pursue such other remedies as are available under the terms of the Lease.
- c. <u>Defaults Not Susceptible to TCAC Cure</u>. TCAC shall not be required to perform any act which is not susceptible to performance by TCAC, such as to cure a filing or condition of bankruptcy or insolvency or to cure or commence the cure of any default which is Lessee's failure to pay or comply with any lien, charge or encumbrance which is junior in priority to the Regulatory Agreement, or to pay any amount owed under an indemnity of Lessor by Lessee based on an event occurring prior to TCAC's possession of the Development. If any such act not susceptible to performance by TCAC constitutes a breach under the Lease, Lessor may resort to any and all of its remedies for such breach under the Lease.
- d. <u>Reimbursement of Lessor's Payment of Arrears</u>. Lessor agrees that if Lessor cures Lessee's failure to make any payment due under the Lease or any loan identified in Section 2.a., it shall seek reimbursement of amounts so paid solely from Lessee and TCAC shall have no obligation to pay such amounts to Lessor.
- e. <u>Waiver of Breach or Default</u>. Subject to the rights of Senior Lenders, on transfer of the Leasehold interest pursuant to a court order or other agreement enforcing the Regulatory Agreement, all violations, defaults and breaches by Lessee under the Lease occurring prior to such transfer,

including, without limitation, nonpayment of rent or other amounts payable under the Lease, shall be deemed personal obligations of Lessee, and TCAC or other Transferee shall be entitled to the Replacement Lease as described in Section 6 below without incurring or assuming any liability or obligation of, or claim against, Lessee under the Lease. However, upon transfer of the Leasehold interest, TCAC or the Transferee, as applicable, shall be responsible for correcting all defaults in existence at the time of the transfer; Lessor may exercise its rights under Section 5.b. if TCAC or the Transferee fails to correct any such default within a reasonable time. Nothing in this section shall be deemed a waiver of any claim by Lessor, TCAC, or other Transferee against Lessee under the Lease.

- f. Enforcement Not a Breach. Any action taken by TCAC to enforce its rights under this Lease Rider Agreement with respect to Lessee with respect to any of the documents governing the Allocation including, without limitation, any actions taken to collect any amounts due and owing to TCAC or any action to appoint a receiver for the Development or to otherwise ensure compliance with the Regulatory Agreement, shall not constitute or result in a breach or violation of the Lease.
- g. <u>Status Quo Ante</u>. Any default by Lessee shall not prejudice TCAC if TCAC chooses to cure such default within the applicable grace period specified by this Lease Rider Agreement or the Lease, and Lessor acknowledges and agrees that upon TCAC's cure of any such default, the Lease shall be restored status quo ante.

Replacement Lease.

- a. <u>Conditions</u>. <u>Section 5</u> hereof notwithstanding, [and subject to the rights of Senior Lenders as provided in their security instruments,] Lessor agrees to comply with the requirements of Section 6.b. if the following conditions specified in this Section 6.a. apply:
 - (1) The Lessee's Lease or a Transferee's Replacement Lease is terminated for any reason whatsoever and TCAC or a subsequent Transferee acquires possession or ownership of the Development as a result of TCAC enforcing its remedies authorized by the Regulatory Agreement; and
 - (2) TCAC or other Transferee, whether or not such party has assumed the Lease, requests Lessor in writing pursuant to Section 6.b. to enter into a new lease (the "Replacement Lease") of the Property within ninety (90) days after TCAC or the Transferee takes possession or ownership of the Development either as a result of a

court order or other agreement under the Regulatory Agreement. The Replacement Lease shall be at the rent of, and consistent with, the terms, provisions, covenants, options and agreements contained in the terminated Lease, or granted by the Lessor in connection with the Lease, all as modified or supplemented by this Lease Rider Agreement unless Lessor agrees to lower rent or less restrictive terms and conditions.

- b. <u>Obligations</u>. If the conditions specified in Section 6.a. have been satisfied, [and subject to the provisions of matters of record and the rights of Senior Lenders in their security instruments,] Lessor shall:
 - (1) upon receipt of the request for Replacement Lease described in Section 6.a.(2) above, enter into a Replacement Lease of the Property with TCAC, its nominee, or its successor-in-interest or other Transferee, for the remainder of the term of the Lease, effective as of the date of the termination of the Leasehold or conveyance of the Development pursuant to a court order or other agreement under the Regulatory Agreement;
- c. <u>Priority</u>. The Leasehold interest and any other interest (if any) in the Development granted to TCAC, its nominee or its successor-in-interest or other Transferee under this Section 6 shall be prior to any mortgage or other lien, charge or encumbrance on the Development created by Lessee, except for the liens of Senior Lenders and except for encumbrances created by Lessor pursuant to the Lease and matters of record at the time of execution of this Lease Rider Agreement.
- 7. Successors to TCAC. Subject to Section 4 hereof, if the Leasehold is transferred pursuant to a court order or other agreement enforcing the Regulatory Agreement, Lessor shall recognize the Transferee as the tenant under the Lease, subject to the liens of Senior Lenders. Subject to and in accordance with the Lease, the rights and benefits of TCAC under this Lease Rider Agreement shall benefit and may be exercised by any Transferee. The holder of any mortgage or deed of trust which may be given to secure a portion of the purchase price in any sale by TCAC or its successor(s) after TCAC acquires the Leasehold interest or enters into a Replacement Lease under this Lease Rider Agreement shall be entitled to rely on continuation of the same rights and benefits of TCAC under this Lease Rider Agreement.
- 8. <u>Diligence of TCAC</u>. So long as TCAC is prevented by any process or injunction issued by any court or by any statutory stay, or by reason of any action by any court having jurisdiction of any bankruptcy or insolvency proceeding involving Lessor or Lessee, from commencing or prosecuting its remedies under

the Regulatory Agreement or other appropriate proceedings in the nature thereof, or undertaking or completing any of TCAC's rights or remedies under the Lease or this Lease Rider Agreement, TCAC shall not be deemed for that reason to have failed to commence such proceedings or to have failed to prosecute diligently such proceedings, provided, however, that TCAC shall use reasonable efforts to contest and appeal the issuance or continuance of any such process, stay or injunction.

Certificates.

- (a) <u>Certificate by Lessor.</u> Within fifteen (15) calendar days after written request made by TCAC, Lessor shall execute and deliver to TCAC, or to any proposed purchaser, transferee, or encumbrancer of Lessee's Leasehold interest, a certificate declaring, to the best of Lessor's current knowledge at that time, (i) the existence and validity of the Lease, or Replacement Lease as the case may be, and amendments thereto, if any, and that such Lease or Replacement Lease remains in full force and effect; (ii) that all conditions under the Lease, or Replacement Lease, have been satisfied, and that there are no defaults under the Lease or Replacement Lease, or if there has been a default under the Lease or Replacement Lease, a description of the nature of such default; (iii) any other information relating to the condition of the Property reasonably requested by TCAC; and iv) that Lessor understands the recipient will rely on the certificate and that the Lessor will describe in reasonable detail any exceptions to the foregoing statements.
- (b) <u>Certificate by Lessee</u>. Within fifteen (15) calendar days after written request made by TCAC, Lessee shall execute and deliver to TCAC, or to any proposed purchaser, transferee, or encumbrancer of Lessee's Leasehold interest, a certificate declaring to the best of Lessee's knowledge (i) the existence and validity of the Lease, or Replacement Lease as the case may be, and amendments thereto, if any, and that such Lease or Replacement Lease remains in full force and effect; (ii) that all conditions under the Lease, or Replacement Lease, have been satisfied, and that there are no defaults under the Lease or Replacement Lease, or if there has been a default under the Lease or Replacement Lease, a description of the nature of such default; (iii) any other information relating to the condition of the Property, Leasehold or the Development reasonably requested by TCAC; and (iv) that Lessee understands the recipient will rely on the certificate and that the Lessee will describe in reasonable detail any exceptions to the foregoing statements.
- 10. <u>Notices</u>. Notices and other communications required by this Lease Rider Agreement shall be delivered by messenger to the addresses provided below or sent by U.S Postal Service certified mail, return receipt requested, postage prepaid, addressed as follows:

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To TCAC: California Tax Credit Allocation Committee 915 Capitol Mall, Room 485 Sacramento, CA 95814 Attn. Executive Director To Lessor: Department of Veterans Affairs Office of Asset Enterprise Management (044) 810 Vermont Avenue, N.W. Washington, D.C. 20420 Phone: (202) 632-7092 Attn: Designated VA Representative With copies to: Department of Veterans Affairs West Los Angeles Medical Center 11301 Wilshire Blvd. Los Angeles, CA 90073 Phone: (310) 268-3132 Attn: GLAHS Director Department of Veterans Affairs Office of Asset Enterprise Management (044) 810 Vermont Avenue, N.W. Washington, D.C. 20420 Phone: (202) 461-8153 Fax: (202) 273-9374 Attn: Post Transaction Team Leader Department of Veterans Affairs Office of General Counsel (RPLG) 810 Vermont Avenue, N.W. Washington, D.C. 20420 Phone: (202) 461-7612 Fax: (202) 273-9384 Attn: Chief Counsel (EU Leasing) To Lessee: [Insert Name [Insert Address Insert Address Phone: [Fax: Attn:

With Copies To:	[Insert Name]
•	[Insert Address]
	[Insert Address]
	Phone: [
	Fax: [
	Attn:
	[Insert Name]
	[Insert Address]
	[Insert Address]
	Phone: [
	Fax: [
	Attn:
	[_Insert Name]
	[Insert Address]
	[Insert Address]
	Phone: [
	Fax: []
	Attn: [

These addresses may be changed by a written notice given by any party hereto to the other parties in the same manner provided in this Section. Notices shall be effective on receipt.

- 11. <u>TCAC's Rights Against Lessee</u>. Nothing in this Lease Rider Agreement shall limit or restrict TCAC's rights and remedies under the Regulatory Agreement, or any other agreement between TCAC and Lessee.
- 12. <u>Successors and Assigns</u>. This Lease Rider Agreement shall inure to the benefit of and bind the successors and assigns of TCAC, Lessor and Lessee.
- 13. <u>Uninsured Hazard</u>. Subject to and in accordance with the Lease, Lessor agrees that neither TCAC nor any person acquiring the Development, or a portion of the Leasehold pursuant to a court order or other agreement enforcing the Regulatory Agreement, nor the lessee under a Replacement Lease pursuant to <u>Section 6</u> hereof, nor any successive owner of a portion of the Development after such transfer or Replacement Lease shall have any obligation hereunder or under the Lease or Replacement Lease to repair or reconstruct any damage or loss to the Development which occurred prior to such transfer or Replacement Lease and which is due to a hazard not required to be covered by insurance under the Lease or Replacement Lease except to the extent TCAC. a lessee under a Replacement Lease, or such successive owner had notice of such

damage and an opportunity to repair or reconstruct prior to such transfer or Replacement Lease.

- 14. <u>Duty to Repair</u>. Subject to and in accordance with the Lease, Lessor agrees that if TCAC, its nominee, or its successor-in-interest succeeds to Lessee's Leasehold interest in the Property and if the Development shall have been or becomes materially damaged before or after the date of such acquisition, TCAC's, its nominee's, or its successor-in-interest's obligation, if any, to repair, replace or reconstruct the Development shall in any such event be limited to the greater of: i) the amount of the net insurance proceeds received by TCAC, its nominee, or its successor-in-interest by reason of that damage or ii) the amount TCAC, its nominee, or its successor-in-interest would be entitled to if in compliance with the minimum insurance requirements of Lessee under the Lease.
- 15. Options. Lessor and Lessee agree that TCAC or its successor-in-interest or other Transferee, after its acquisition of the Leasehold, may exercise any option to extend the term of the Lease or Replacement Lease or to purchase any interest in the Property which is granted to Lessee under or in connection with the Lease or the Replacement Lease.
- 16. Limitation on Liability. If TCAC agrees to be bound by the terms of the Lease, or in the event of any Transfer to a Transferee, then unless so ordered by a court or as agreed to by TCAC, any Transferee, and any secured creditors, neither TCAC nor Transferee shall have any obligation under the Lease or the Replacement Lease with respect to any liabilities, obligations, losses, damages, fines, penalties, claims, demands, suits, actions, causes of actions, charges, judgments, costs, and expenses (including architects' and attorneys' fees and court costs) arising out of or resulting from acts, omissions, circumstances or events occurring before or existing at the time of such Transfer or TCAC's agreement to be bound by the Lease or the Replacement Lease except for matters of record at the time of execution of this Lease Rider Agreement or any breach in existence at the time of acquisition of the Leasehold. Nothing in this Lease Rider Agreement or in the Lease or Replacement Lease shall impose on TCAC any liability to perform the obligations of Lessee under the Lease or Replacement Lease or require TCAC to assume the Lease or Replacement Lease unless and until TCAC acquires the Development pursuant to a court order or other agreement enforcing the Regulatory Agreement. After acquiring the Development in such a manner, TCAC shall be liable to perform Lessee's obligations only until TCAC assigns or transfers the Leasehold. TCAC shall not, however, be required to cure Lessee's defaults occurring before TCAC's acquisition of the Development in such a manner except that TCAC or the Transferee must cure any defaults in existence at the time of transfer within a reasonable period of time.

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- 17. Conflict With Lease. This Lease Rider Agreement shall in no way subordinate the United States' (i.e., VA's) underlying fee interest in the Enhanced-Use Lease land and this Lease Rider Agreement shall at all times be subject and subordinate to the Lease and VA's rights contained therein except to the extent expressly provided in this Lease Rider Agreement. In the event of any conflict or inconsistency between the terms of the Lease and the terms of this Lease Rider Agreement, except for any term expressly excluded or modified by Section 21, the terms of the Lease shall govern and control. Notwithstanding the foregoing, nothing contained herein shall affect the rights of Senior Lenders or the Tax Credit Partner, nor shall anything contained herein subordinate the lien of any Senior Lender to any rights of TCAC hereunder.
- 18. <u>Regulatory Agreement Remedies</u>. Nothing in this Lease Rider Agreement is intended to create enforcement rights under the Regulatory Agreement that do not otherwise exist in the Regulatory Agreement.
- 19. <u>Enforcement</u>. Lessor agrees, that during the term of the Regulatory Agreement, TCAC shall have standing to enforce and preserve TCAC's rights under the terms of this Lease Rider Agreement and the Regulatory Agreement.
- 20. <u>Subordination</u>. Notwithstanding anything to the contrary contained elsewhere herein, the parties hereto hereby agree that this Lease Rider Agreement (and all amendments. modifications and supplements hereto) is hereby irrevocably and unconditionally made subject and subordinate in all respects to (a) all existing and future deeds of trust and mortgages approved by TCAC now or hereafter encumbering all or any part of the Lessee's right, title and interest under the Lease (and to all amendments, modifications and supplements thereto), and (b) all rights granted to any holder of any such deed of trust or mortgage under any term or provision of the Lease. Each existing and future holder of any such deed of trust or mortgage (all of whom shall also constitute "Senior Lenders" for all purposes of this Lease Rider Agreement) is hereby made an express third—party beneficiary of the foregoing sentence. [Optional: TCAC hereby approves [insert references to existing or concurrently recorded deeds of trust and mortgages encumbering the leasehold].].
- 21. <u>Additional Provisions</u>. [intentionally left blank]
- 22. <u>Acknowledgment</u>. Lessor and Lessee acknowledge that TCAC is relying on the foregoing representations, warranties, covenants and agreements of the undersigned in allocating the allocation of low income housing tax credits to Lessee, and warrants and affirms to and for the benefit of TCAC that each of their respective representations set forth herein is true, correct and complete as of this date.

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TCAC: CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE, a public agency of the State of California
BY: [INSERT NAME] Executive Director
<u>LESSOR</u> :
THE UNITED STATES DEPARTMENT OF VETERANS AFFAIRS Enhanced-Use Lessor
Ву:
Name:
Title:

LESSEE:

VA BUILDING 207 LP, a California limited partnership

By: VA Building 207 LLC, a California limited liability company, its administrative general partner

By:
Name: Renee Groves
Title: Chief Financial Officer
By: Housing Corporation of America, a Utah nonprofit corporation, its managing general partner
Ву:
Name: Carol Cromar
Title: President
By: West LA Veterans Collective LLC, California limited liability company, its co-general partner
By:
Name: Brian D' Andrea
Title: Senior VP, Century Housing Corporation
Authorized Representative for the West LA Veterans Collective LLC

EXHIBIT A Legal Description

EXHIBIT "I"

COMMITMENT AGREEMENT

COMMITMENT AGREEMENT

Regarding the Greater Los Angeles Health Care System,
West Los Angeles Campus –
Building 207 Enhanced-Use Lease Project
Relating to Certain Real Property and Facilities
in Support of the
Supportive Housing Development
West Los Angeles, CA

Dated: October 29, 2020

VA COMMITMENT AGREEMENT

Relating to Certain Real Property and Facilities at the Greater Los Angeles Health Care System – West Los Angeles, CA

This **Commitment Agreement** (hereinafter referred to as the "Agreement"), is made and entered into this the 29 day of October, 2020, by and between the Secretary of Veterans Affairs ("Secretary"), an officer of the United States on behalf of the Department of Veterans Affairs (hereinafter "VA"), and VA Building 207 LP, a California Limited Partnership (hereinafter "Lessee") organized under the laws of the State of California (referred to collectively as the "Parties").

RECITALS

- A. WHEREAS, VA has jurisdiction and control of certain real property and facilities located at the Greater Los Angeles Health Care System, West Los Angeles, CA (hereinafter "VAMC"), which provides health care services to the nation's Veterans; and
- B. WHEREAS, on July 2, 2018, VA issued a Request for Qualifications ("RFQ") entitled, "VA Greater Los Angeles Healthcare System West Los Angeles Campus Principal Developer & Building 207 Solicitation Enhanced-Use Lease (EUL) Development Projects Los Angeles, California", seeking private-sector developer interest to finance, design, develop, renovate, construct, operate, and maintain supportive housing units and on-site community-based support services for homeless and at-risk Veterans and their families, pursuant to VA's EUL authority, 38 U.S.C. §§ 8161 et seq. and the West Los Angeles Leasing Act of 2016 (P.L. 114-226); and
- C. WHEREAS, VA and Lessee entered into an EUL of Certain Real Property and Facilities at the Greater Los Angeles Health Care System – West Los Angeles, CA ("Lease"), under and pursuant to which, the Lessee will finance, design, develop, renovate, operate, and maintain certain supportive housing (the "Project") on the EUL site, which consists of Building 207 on approximately 1.45 acres of land, and provide VA with certain negotiated lease consideration; and
- D. WHEREAS, pursuant to 38 U.S.C Section 8162(b)(4), the Lease expressly provides for use of minor construction funds for capital contribution payments (the "EUL Capital Contribution payments") to allow the Lessee to perform and complete certain work relating to the Project; and
- E. WHEREAS, VA desires that the Lessee perform and complete and the Lessee agrees to perform and complete the work identified in **Attachment "A"** hereof (entitled "Tasks the Lessee Will Complete in Return for Receiving VA's EUL Capital Contribution Payments") and referred to herein as the "VA Funded Trunkline Work"

- on the property described in **Attachment "B"** hereof (entitled "Property Where VA Funded Trunkline Work Will be Performed"); and
- F. WHEREAS, the Lessee has obtained a minimum of three competitive bids from contractors with the requisite experience, qualifications, and certifications as required by VA and applicable laws and regulations to perform the VA Funded Trunkline Work. Lessee has selected Blois Construction, Inc. (the "Contractor"), who is a Qualified Party as defined by the Lease, who will be retained by Lessee to perform and complete the VA Funded Trunkline Work in accordance with the requirements of this Agreement; and
- G. WHEREAS, VA will be obligated to make payments to Lessee for the costs associated with the VA Funded Trunkline Work in accordance with this Agreement; and
- H. WHEREAS, VA and Lessee, now wish to memorialize the terms and conditions whereby VA will, subject to VA and the Lessee executing the Lease and the terms and conditions contained herein, and pursuant to VA's authority under 38 U.S.C. § 8162(b)(4) of the EUL statute, use EUL Capital Contribution payments to fund the costs of the VA Funded Trunkline Work totaling up to but not exceeding \$10,500,000 (the "EUL Capital Contribution"), which Lessee will use solely to complete the VA Funded Trunkline Work.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, receipt of which is hereby acknowledged and accepted, the Parties hereby agree as follows:

- (1) <u>Access Agreement</u>. VA and the Lessee shall enter into the Access Agreement, substantially in the form of **Attachment "D"** (entitled "Form of Access Agreement"), which sets forth the terms and conditions of the Lessee's and its employee's, agent's, contractor's and subcontractor's access to the Property where VA Funded Trunkline Work will be performed and any work described in the Access Agreement is part of the VA Funded Trunkline Work and is subject to the provisions of this Agreement.
- (2) <u>Eligibility for EUL Capital Contribution Payments</u>. Lessee shall be entitled to receive EUL Capital Contribution payments subject to the following terms and conditions:
 - Lessee shall use all of the EUL Capital Contribution payments for purposes of performing the VA Funded Trunkline Work.
 - b) Lessee shall cause the commencement of, construction by Contractor of the VA Funded Trunkline Work by no later than December 12020 (plus such added time that VA may expressly agree to (in writing) at its discretion), and cause the Contractor to complete such construction by

- December 31, 2021 (plus such added time that VA may expressly agree to in writing at its discretion).
- c) Lessee shall, in accordance with Section (3), request disbursements in arrears, in writing, on a progress payment basis for work completed, of EUL Capital Contribution payments from VA, up to and not to exceed a total of \$10,500,000 (the "Commitment Agreement Cost").
- d) In the event Lessee is not able to complete the VA Funded Trunkline Work in accordance with the schedule of performance for the VA Funded Trunkline Work because VA has failed to timely provide funding or approvals to Lessee for such work in accordance with this Agreement, there has been a default by the Contractor (as hereinafter defined) under the Construction Contract, there has been a default, delay, or failure to perform by any third party public utility provider, or the cost of such VA Funded Trunkline Work exceeds the amount set forth in Section 2(c) above ("Completion Default"), Lessee shall not be in default under this Agreement or the Lease on account of such Completion Default.
- (3) Payment of EUL Capital Contribution Payments. VA acknowledges that the funds to make the EUL Capital Contributions have been identified as "minor construction funds" authorized pursuant to 38 U.S.C Section 8162(b)(4) and that, following execution of the Lease, VA shall provide evidence that such funds are available for the VA Funded Trunkline Work.
 - a) Lessee shall make an application for a release of EUL Capital Contribution payments by sending a release of funds request, including (i) an AIA Document G702, (ii) an AIA Document G703, (iii) the requisition or invoice of the Contractor or supplier, (iv) proof of work completed, and (v) a detailed breakdown of the VA Funded Trunkline Work costs (including invoiced soft costs plus the back-up invoices) to which the release of funds will be applied (such requirements collectively being a "Release of Funds Request"), not more frequently than once per month. A Release of Funds Request is expected to be submitted for review and comment by the approving parties on or about the 24th of each month in the form of a "pencil draw" from Lessee. Release of Funds Requests may be submitted by electronic mail. Such request shall be signed by an authorized officer of Lessee or such other person as is designated in writing by the Lessee (the "Authorized Representative").
 - b) VA shall have twelve (12) business days from the date on which it has received a complete Release of Funds Request containing all required information within which to review and approve or disapprove of such Release of Funds Request.

- c) Lessee shall not be entitled to EUL Capital Contribution payments unless all work providing the basis for the request has been completed; any "required approvals" referred to in Section 12, (a), iii have been obtained; and materials associated with the requisition request have been procured by Contractor or its contractors.
- d) Lessee's Release of Funds Request shall be accompanied by lien releases from all Lessee contractor(s) stating that no third-party liens have been or are expected to be filed relating to the predevelopment, construction and renovation work completed to date.
- e) Lessee will not be entitled to receive any EUL Capital Contribution payments from VA if an underlying lien was filed, until the Lessee first provides VA with a corresponding lien release showing that the lien was removed and satisfied in full.
- f) VA shall have the right to reject or defer payment of all or any portion of EUL Capital Contribution payments to Lessee, if VA reasonably determines that Lessee is lacking adequate progress in its predevelopment, construction and renovation work for the VA Funded Trunkline Work, as evidenced by Lessee's failure to meet any milestones identified in Attachment "C" of this Agreement (entitled "Lessee's VA Funded Trunkline Work Plan & Schedule"), as the same may be amended from time to time by the mutual agreement of VA and Lessee and such failure continues for a period of thirty (30) days after written notice of such determination is sent by VA to the Lessee or such longer time as may be reasonably necessary provided that Lessee commences to cure such default within thirty (30) days and reasonably prosecutes such cure until completion, and exercise any rights available at law or equity to VA.
- (4) <u>VA Inspection Rights</u>. At all times during Lessee's predevelopment, construction and renovation work, VA shall be permitted to view and examine the predevelopment, construction and renovation work, to confirm the status and quality of the work; and, for three (3) years after Contractor's completion of the VA Funded Trunkline Work, inspect and/or audit Lessee's books and records relating to EUL Capital Contribution payments and the VA Funded Trunkline Work. VA's right to inspection survives expiration or termination of this Agreement.
- (5) <u>Lessee Defaults</u>. The following events constitute a default under this Agreement: (i) Lessee violates the terms of this Agreement; (ii) except as otherwise provided for in Section 2(d) hereof, Lessee is not able to complete the VA Funded Trunkline Work in accordance with the schedule of performance for the VA Funded Trunkline Work; (iii) Lessee fails to cause to have released or satisfied any lien, encumbrance, or security interest filed against VA property other than as a result the VA's failure to timely make any EUL Capital Contribution

payments; (iv) Lessee violates the law with respect to this Agreement or the VA Funded Trunkline Work; or (v) Lessee uses any EUL Capital Contribution payments for anything other than the Items listed in "Attachment "A": Tasks the Lessee Will Complete in Return for Receiving VA's EUL Capital Contribution Payments." Subject to Section 2 and Section 6 of this Agreement, VA can terminate this Agreement if such a default is not cured within thirty (30) days, or such longer time as may be reasonably necessary provided that Lessee commences to cure such default within thirty (30) days and reasonably prosecutes such cure until completion, and exercise any rights available at law or equity to VA. Any VA right or remedy arising from Lessee default shall survive the expiration or termination of this Agreement.

Notwithstanding any default by Lessee in the performance or observance of any covenant, condition or agreement of this Agreement on the part of Lessee to be performed or observed, all rights of the VA to terminate this Agreement for such Lessee default shall be subject to and conditioned upon (a) the VA having first given the Leasehold Mortgagee and Tax Credit Investor (as each is defined in the Lease) written notice of, and an opportunity to cure such default provided that Leasehold Mortgagee and Tax Credit Investor shall have an additional ninety (90) days to cure beyond the cure period afforded to Lessee to cure such default (with additional time as needed in the event that the cure of such default has been commenced and is being diligently prosecuted to completion); and (b) the Lessee's, Tax Credit Investor's (on behalf of the Lessee) and Leasehold Mortgagee's having failed to remedy such default as set forth in, and within the applicable time period.

Notwithstanding anything to the contrary contained in this Agreement, except with respect to any act of gross negligence, willful misconduct or intentional misappropriation of the EUL Capital Contributions by the Lessee ("Excluded Liabilities"), neither Lessee nor any other party, including, without limitation, any partner (general or limited) of Lessee, shall have personal liability with respect to the VA Funded Trunkline Work or any other amounts arising by, through or under this Agreement. Except with respect to the Excluded Liabilities for which the VA reserves all remedies at law and equity, the sole recourse of the VA for any obligation of Lessee with respect to this Agreement shall be to terminate this Agreement and to exercise of Lender's rights against the Construction Contract and payment and performance bond provided by Contractor in connection with the Construction Contract.

(6) Tax Credit Investor and Leasehold Mortgagee Rights.

a) The Tax Credit Investor and Leasehold Mortgagee, as defined in the Lease, shall have the right to cure any of Lessee's defaults under this Agreement within the same time period and subject to the same terms and conditions as set forth in Article 20.E of the Lease.

- b) In the event the Tax Credit Investor or Leasehold Mortgagee, as defined in the Lease, shall become the successor to Lessee for the Project by foreclosure or deed in lieu of foreclosure with regard to the Lease (the "Successor Lessee), provided Successor Lessee agrees to assume the obligations of Lessee under this Agreement and Lease, Successor Lessee shall be permitted to continue to exercise the rights of Lessee under this Agreement subject to the terms and conditions of this Agreement.
- (7) Applicable Law. This Agreement shall be construed and enforced in accordance with, and governed by, the laws of the United States of America. No amendments or modifications of this Agreement shall have any force or effect without the written consent of both parties. Notwithstanding anything contrary in this Agreement, any provision that purports to assign liability to Government shall be subject to and governed by Federal law, including but not limited to, the Contract Disputes Act of 1978 (41 U.S.C. § 7101-7109); the Anti-Deficiency Act (31 U.S.C. §§ 1341 and 1501); and the Federal Tort Claims Act (28 U.S.C. §§ 1346(b)(1), 2671-2680.).
- (8) <u>Davis-Bacon Act</u>. Unless the Lessee can demonstrate to the satisfaction of VA that the Lease or the Project is exempt therefrom, Lessee shall comply with the requirements of the Davis-Bacon Act, as amended, 40 U.S.C. Section 3141, et seq. and the relevant rules, regulations and orders of the Secretary of Labor applicable thereto.

(9) Warranty of Construction.

- a) In addition to any other warranties in this Agreement, the Lessee shall cause the Contractor to warrant, except as provided in paragraph (i) of this clause, that work performed under this Agreement and pursuant to the Construction Contract substantially conforms to the Agreement requirements and is free of any defect in equipment, material, or design furnished, or workmanship performed by the Lessee or any subcontractor or supplier at any tier.
- b) The warranty pursuant to 9(a) above shall continue for a period of 1 year from the date of final acceptance of the VA Funded Trunkline Work. If VA takes possession of any part of the work before final acceptance, this warranty shall continue for a period of 1 year from the date VA takes possession of the VA Funded Trunkline Work.
- c) The Lessee shall cause the Construction Contract to require the Contractor to remedy at the Contractor's expense any failure to conform, or any defect. In addition, the Lessee shall remedy at the Lessee's expense any damage to VA-owned or controlled real or personal property, when that damage is the result of:

- (1) The Contractor's failure to conform to contract requirements; or
- (2) Any defect of equipment, material, workmanship, or design furnished.
 - d) The Lessee shall cause the Construction Contract to require the Contractor to restore any work damaged in fulfilling the terms and conditions of this clause. The Contractor's warranty with respect to work repaired or replaced will run for 1 year from the date of repair or replacement.
 - e) The Designated VA Representative as defined in the EUL shall notify the Lessee and Contractor in writing, within a reasonable time after the discovery of any failure, defect, or damage.
 - f) With respect to all warranties, express or implied, from subcontractors, manufacturers, or suppliers for work performed and materials furnished under this contract, the Lessee shall:
- (1) Obtain all warranties from Contractor that would be given in normal commercial practice;
- (2) Require all warranties of Contractor to be executed, in writing, for the benefit of VA, if directed by the Designated VA Representative; and
- (3) Enforce all warranties provided by the Contractor for the benefit of VA, if directed by the Designated VA Representative.
 - g) In the event the Contractor's warranty under paragraph (b) of this clause has expired, VA may bring suit at its expense to enforce a subcontractor's, manufacturer's, or supplier's warranty.
 - h) Unless a defect is caused by the gross negligence of the Lessee, Contractor or subcontractor or supplier at any tier, the Contractor or the Lessee shall not be liable for the repair of any defects of material or design furnished by Contractor or VA nor for the repair of any damage that results from any defect in Contractor or VA-furnished material or design.
 - i) This warranty shall not limit VA's rights against the Contractor with respect to latent defects, gross mistakes, or fraud.
 - j) In this event, VA may take over the work and complete it by contract or otherwise, and may take possession of and use any materials, appliances, and plant on the work site necessary for completing the work. The Contractor and its sureties (but not the Lessee) shall be liable for any damages to VA resulting from the contractor's refusal or failure to

- complete the work within this specified time, whether or not the Lessee's right to proceed with the work is terminated. This liability includes any increased costs incurred by VA in completing the work.
- k) Notwithstanding anything to the contrary contained in this Agreement, VA hereby acknowledges and agrees that the Lessee is not performing any construction work with respect to the VA Funded Trunkline Work and that VA shall look solely to the Contractor with respect to the enforcement of any warranties with respect to the VA Funded Trunkline Work or with respect to any construction defects or defects of material or design furnished by Contractor in connection with the VA Funded Trunkline Work.
- This Section 9 shall survive the expiration or termination of this Agreement.
- (10) Stop Work. VA shall have the right to direct the Lessee, the Contractor, and any other contractor to stop work in the event that there is a default under this Agreement or any activities by the Lessee, the Contractor, or any other contractor are in violation of law or pose safety hazards, as determined by VA.

(11) <u>Construction Contract</u>.

- a) The Lessee shall use commercially reasonable efforts to enter into a contract with the Contractor (the "Construction Contract") within 45 days of execution of this Agreement to perform a portion of the VA Funded Trunkline Work. Prior to executing the Construction Contract, the Lessee must receive VA's written approval of the Construction Contract.
 - b) The Construction Contract shall:
 - be on a Construction Management Association of America (CMAA) form of construction contract as modified by the Lessee consistent with this Agreement;
 - ii. specifically define the portions of the VA Funded Trunkline Work to be performed by the Contractor;
 - iii. include the provision of warranties (expressly running to VA) by the Contractor, payment and performance bonds by the Contractor, indemnification of VA by the Contractor in the same manner as required by Lessee to VA under this Agreement;
 - iv. provide that amendments cannot be effective without the written approval of VA;

- v. require the Contractor to consult with the Lessee and VA on **Attachment "C" Work Plan & Schedule** prior to commencing such tasks;
- vi. reference the point of contact from VA that will coordinate with the Contractor on the performance of the VA Funded Trunkline Work;
- vii. acknowledge VA's rights relating to inspection, stopping work, and termination under this Agreement;
- viii. require that copies of all shop drawings and construction plans be provided to VA at completion of construction. VA maintains the right to request information at any point during construction;
- ix. provide for the right to institute a change at the reasonable request of VA or the Lessee;
- x. require the Contractor to provide any notices under the Construction Contract simultaneously to the Lessee and VA;
- xi. require that all liability and property insurance carried by the Contractor lists VA as an additional named insured; and,
- xii. require the Contractor and any subcontractor to comply with all requirements of Qualified Parties under the Lease and immediately notify the Lessee and VA in writing if at any time the Contractor fails or is reasonably likely or expected to fail to be a Qualified Party.
- c) VA shall be named as a third-party beneficiary of the Construction Contract.
- d) If Lessee determines that the cost or completion schedule for the VA Funded Trunkline Work will increase beyond the cost or completion schedule approved by VA, Lessee shall notify VA and the parties with the Contractor shall meet within 14 days after Lessee has notified VA of such circumstances ("Meet and Confer Notice"). The Lessee, Contractor, and VA shall meet and discuss mutually acceptable alternatives to reduce costs and or adjust the construction schedule for the VA Funded Trunkline Work. If the parties cannot reach a mutually acceptable resolution within 30 days after Lessee has given the Meet and Confer Notice, Lessee may stop further VA Funded Trunkline Work without liability to VA. This provision is not intended to limit the requirement or right of Contractor to stop work if required by applicable laws or legal process.

- e) The parties agree that after the Construction Contract has been approved by VA, the work described in the Construction Contract and the Access Agreement describe all of the VA Funded Trunkline Work and neither the scope nor cost of such work shall be increased without the prior written consent of the parties and the Leasehold Mortgagee and Tax Credit Investor.
- (12) Lessee Responsibilities.
 - a) The Lessee agrees to perform the following responsibilities:
 - Manage and oversee the design, construction, and activation of the VA Funded Trunkline Work;
 - ii. Coordinate the activities of the Contractor with VA to minimize any disruptions to the provision of healthcare and services to Veterans on the Property, utility providers, and any other tenants impacted by the performance of the VA Funded Trunkline Work;
 - iii. Obtain required approvals by Southern California Edison (Power), SoCal Gas Company (Gas), Spectrum (Telecom) and Frontier (Telecom) for the engineering, installation and service start up for the VA Funded Trunkline Work per the Work Plan & Schedule referenced in Attachment "C" of this Agreement;
 - Enforce all of the terms of the Construction Contract in accordance with the terms of this Agreement and oversee and monitor the performance of the VA Funded Trunkline Work;
 - v. Monitor and update VA as to the progress of the performance of the VA Funded Trunkline Work through the provision of bi-weekly reports addressing the status of the VA Funded Trunkline Work and any additional information requested by VA;
 - vi. Take all actions necessary or appropriate to enforce the terms of the Construction Contract in accordance with this Agreement;
 - vii. Provide VA with copies of insurance certificates required to protect VA from claims arising under the Construction Contract; and
 - viii. Provide assistance to VA to the extent VA, in its sole discretion, as a third-party beneficiary of the Construction Contract, elects to bring an action in court against the Contractor.
 - b) Nothing in the Construction Contract shall relieve the Lessee from its obligations in this Agreement.

(13) Bonds. Not less than thirty (30) calendar days prior to undertaking any renovation or construction, the Lessee shall furnish evidence of a "Payment and Performance Bond" between the Lessee and the Contractor, with a sum equal to one hundred percent (100%) of the Lessee's total costs of construction of the VA Funded Trunkline Work (including any increases in such costs mutually approved by Lessee and VA). The bond of any surety company holding a certificate of authority from the Secretary of the Treasury as an acceptable surety of Federal bonds will be accepted. The United States of America, acting through the Secretary, shall be named as dual obligee on each "Payment and Performance Bond" (including subcontract bonds) obtained by the Lessee. VA shall have the right to approve or reject any and all terms and conditions of any and all bonds obtained by Lessee pursuant to this Lease. In addition, the terms and conditions of each "Payment and Performance Bond" shall be subject to the prior approval of VA.

(14) Indemnification.

- a) Lessee agrees that any and all construction contracts for the development, construction, and renovation of the VA Funded Trunkline Work shall contain clauses requiring the contractor to indemnify and hold the VA harmless for any causes of action or damages arising as a result of any acts or omissions of the contractor(s).
- b) Lessee agrees to cause the Contractor to indemnify, save, hold harmless, and defend Lessee, the United States and VA and their respective officers, agents and employees, from and against all claims, actions, demands, losses, damages, liabilities, judgments, costs, and attorneys' fees, arising out of, claimed on account of, or in any manner predicated upon: (1) personal injury, death or property damage resulting from, related to, caused by or arising out of the construction (or defective construction), possession, and/or use of the Property by Lessee or its contractors, subcontractors, builders, sublessees, agents, employees, licensees, or invitees; or (2) any activities, omissions, or services furnished by Lessee or any contractors, subcontractors, builders, sublessees, agents, employees, licensees, or invitees undertaking any activities on the Property or that relate to the VA Funded Trunkline Work, which fail to comply with the terms, conditions, reservations, restrictions, and requirements of this Lease and pertinent documents referenced herein.
- c) This Section 14 shall survive the expiration or termination of this Agreement.
- (15) <u>Termination</u>. Other than the obligations, if any, of Lessee or VA that expressly survive termination of this Agreement, this Agreement shall automatically terminate and be of no further force and effect the earlier of: (i)

after VA makes the final EUL Capital Contribution payment; and (ii) the termination of this Agreement by VA due to Lessee's default, subject to any applicable notice and cure period. VA and Lessee shall each execute such documents as may be reasonably required to evidence such termination.

(16) <u>Notices</u>. Any notice permitted or required to be given under this Agreement shall be in writing and shall be deemed to be duly given when delivered certified mail, return receipt requested, to the party entitled to such notice at their address set forth hereinabove, with a copy to:

For Government: U.S. Department of Veterans Affairs

Greater Los Angeles Medical Center

11301 Wilshire Boulevard Los Angeles, CA 90073 Attn: Robert Merchant

(b) (6) <u>@va.gov</u>

With a copy to: U.S. Department of Veterans Affairs

Office of Real Property

425 I Street NW

Washington, DC 20001
Attn: Matthew Leddy, Esq.
(b) (6) @va.gov

U.S. Department of Veterans Affairs

Office of Asset Enterprise Management (044C)

810 Vermont Avenue, NW Washington, DC 20420 Attn: Carrie Pham

(b) (6) @va.gov

U.S. Department of Veterans Affairs

Office of General Counsel 810 Vermont Ave, NW Washington, DC 20420

Attn: Chief Counsel, Real Property Law Group

U.S. Department of Veterans Affairs Greater Los Angeles Medical Center

11301 Wilshire Boulevard Los Angeles, CA 90073

Attn: Medical Center Director

For Lessee: VA Building 207 LP

11811 San Vicente Boulevard

Los Angeles, CA 90049

Attn: President

With a Copy to Leasehold Mortgagees:

Wells Fargo Affordable Housing Community Development Corporation MAC D1053-170 301 South College Street, 17th Floor Charlotte, NC 28288 Attn: Director of Tax Credit Asset Management

Wells Fargo Bank, National Association 301 S. College Street, MAC D1053-170 Charlotte, North Carolina 28288 Attention: Manager, CLI Deal Management

Wells Fargo Bank, National Association Community Lending and Investment MAC #E2064-092 333 S. Grand Avenue, 7th Floor Los Angeles, California 90071 Attention: Christian M. von Merkatz Loan No. 1019790

California Community Reinvestment Corporation 100 West Broadway, Suite 1000

Glendale, California 91210

Attention: President

Los Angeles County Development Authority 700 West Main Street Alhambra, CA 91801 Attn: Executive Director Fax No. (626) 943-3816

Los Angeles County Development Authority 700 West Main Street Alhambra, CA 91801 Attn: Director of Housing Investment and Finance Fax No. (626) 943-3816 City of Los Angeles
Housing and Community Investment Department
P.O. Box #532729
Los Angeles, CA 90053-2729
Attention: Portfolio Management Unit (HIMS# 19-126546)
CC: Director of Finance and Development Division

- (17) <u>Disputes</u>. Any disputes or disagreements relating to this Agreement shall be resolved in accordance with the disputes provisions contained in the Lease.
- (18) Counterparts; Electronic Signatures. This Agreement may be executed in counterparts, and it shall not be necessary that the signatures of all parties hereto be contained on any one counterpart hereof; each counterpart shall be deemed an original, but all of which together shall constitute one and the same instrument. Electronic signatures shall be deemed original signatures for the purposes of this Agreement.
- (19) Severability/Amendment. If any provision in this Agreement is declared invalid or unenforceable under applicable law, that provision shall not be enforced, but the remainder of the Agreement shall continue in full force and effect. This Agreement and its exhibits shall not be amended except by a written amendment signed by VA and Lessee and approved by the Leasehold Mortgagees and the Tax Credit Investor.
- (20) <u>Nonwaiver</u>. The failure of VA to insist upon or enforce, in any instance, strict performance by Lessee of any of the terms of this Agreement or to exercise any rights herein conferred shall not be construed as a waiver or relinquishment of VA's right to assert or rely upon such terms or rights on any future occasion.
- (21) No Cross Default With Lease. A default under this Agreement by VA or Lessee shall not be a default under the Lease or vice versa. The work contemplated by this Agreement includes the installation of utility lines which would serve the Property, as described in the Lease, and if the work contemplated by this Agreement is not completed or not completed on schedule Lessee may use the existing utility lines to serve the Property.

Attachment "A"

(Tasks the Lessee Will Complete in Return for Receiving VA's EUL Capital Contribution Payments)

LINE ITEM BUDGET AND DRAW DOWN SCHEDULE

[Note: the specific tasks and a line item budget for the VA Funded Trunkline Work should be inserted. VA acknowledges that the tasks/budget will include payment of a construction management fee to Thomas Safran & Associates Development Inc., in the amount equal to Eight Hundred Fifty Thousand (\$850,000) for the VA Funded Trunkline Work.]



Attachment "C" (Lessee's VA Funded Trunkline Work Plan & Schedule)

GLAHS B207 EUL Commitment Agreement

Attachment "D" (Form of Access Agreement)

OVERALL SUMMARY OF COSTS



Proprietary and Confidential

Description		August 17, 2020 Actual		
DIRECT COST OF WORK		4,241,831.00		
ALLOWANCES - (additional utility supports, sidewalk repair, AC repair, Permits, CIPP Lining)		214,010		
TOTAL DIRECT COST OF WORK		4,455,841		
INDIRECT COST OF WORK (Included in Contractor's Bid)				
CONTINGENCIES & ALLOWANCES		356,500.00		
TOTAL DIRECT COST OF WORK (DIRECT + INDIRECT COSTS + CONTINGENCY)		4,812,341		
Soft Costs-Indirect	August 31, 2020 Budget			
Consulting (Design & Engineering Preconstruction Diligence, Procurement, Management, Civil Engineering, Testing)	37.62%	1,810,369		
Permits & Fees	0.44%	21,299		
Caltrans		\$ 2,500 \$ 8,799		
LA County		9,733		
LA City (for TC running into City of LA on Sepulveda) **Estimated Costs**	12.441	\$ 10,000		
Third Party Utility Soft Costs Southern California Edison **Estimated Costs**	42.66%	2,052,770 \$ 1,529,303		
Frontier **Estimated Costs**		\$ 59,143		
Spectrum **Estimated Costs**		\$ 34,547		
SoCal Gas **Estimated Costs**		\$ 429,777		
Financing Costs	0.00%	\$ -		
Other Hard Costs		50,000		
Storm Drain line repair (108 LF)		\$ 50,000		
Program/Project Contingency	10.00%	\$ 701,661		
Developer Fee	15.00%	\$ 850,000		
Total Soft Costs		\$ 5,486,099		
ESCALATION	2.00%	\$ 201,560		
TOTAL PROJECT COSTS		\$ 10,500,000		
NOTES/ADDITIONAL INFORMATION				
Cells Highlighted In Yellow Are Estimates. Actual Pricing Not Yet Ro Values In Highlighed Cells Are Subject To Change	10/7/2020			
	10/1/2020			

[WLAVA - Draw Down Schedule Estimate																					
[1 2					3	4			5		6	7		8		9		10			
[Phase 0 Infrastructure		Construction Phase															Close Out					
			Oct-20 Nov-20		Dec-20			Jan-21	Feb-21		Mar-21		Apr-21			May-21		Jun-21		Jul-21		Budget	
1	Blois Construction	\$	57,000	\$	124,450	\$	902,500	\$	948,100	\$	865,450	\$	725,800	\$	520,600	\$	89,148	\$		\$	-	\$	4,233,048
2	Blois Retention (5%)	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$		\$	-	\$	222,792	\$	222,792
3	Contingencies	\$	-	\$	50,929	\$	50,929	\$	50,929	\$	50,929	\$	50,929	\$	50,929	\$	50,929	\$	-	\$	-	\$	356,500
4	Soft Costs	\$	368,051	\$	368,051	\$	368,051	\$	368,051	\$	368,051	\$	368,051	\$	368,051	\$	368,051	\$	184,026	\$	184,026	\$	3,312,462
5	Estimated Third Party Utility Soft Costs	\$	1,231,662	\$	821,108	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	2,052,770
[Monthly Estimate	\$ 1	,656,713.37	\$1	,364,538.37	\$	1,321,479.94	\$1	1,367,079.94	\$ 1	1,284,429.94	\$1	,144,779.94	\$	939,579.94	\$	508,127.94	\$	184,025.69	\$4	06,817.69	\$	10,177,573

Notes: 1. Blois Construction's Costs are spread among rows 1 & 2 above to show retention being withheld over the duration of the job. Total Blois Construction Costs: \$4,455,841

2. Estimated Third Party Utility Soft Costs (row 5) are estimated as no third party utility has provided a cost estimate as of 9/28/2020

0

4937418 427814

\$ 368,051.37 \$ 184,025.69

Attachment "B" (Property Where VA Funded Trunkline Work Will be Performed)



T. 714.209.7671



info@anseradvisory.com

October 5, 2020

Mr. Blake Coddington **Thomas Safran & Associates** 11811 San Vicente Boulevard Los Angeles, CA 90049

RE: West LA Veterans Collective, Phase 0 Infrastructure Improvements

Executive Summary - Work Plan & Schedule

Dear Mr. Coddington,

Below is an Executive Summary of the Work Plan for the EUL followed by a conceptual level schedule.

Objective

The Phase '0' Infrastructure Project is located at the West Los Angeles VA Campus at 11301 Wilshire Blvd, Los Angeles, CA 90073. The project consists of constructing SCE duct bank, SoCal Edison vaults and manholes, transformer slabs and appurtenances, Frontier and Spectrum Communications duct banks, Frontier Communications manholes, Spectrum Communications pull boxes, all restoration, and other work as identified in the Project Plans and Specifications. For reference, please view the project plans titled "WLAVA Composite Utility Plans_Addendum 3" dated July 31, 2020.

An exhibit of Attachment "C" is a preliminary schedule. This schedule will be updated monthly and distributed to the project stakeholders.

Trunkline construction will begin on Bonsall Avenue and progress through the campus. Later phases of the trunkline construction will navigate eastward on Constitution Avenue to points of connections located on campus and off campus on Sepulveda Boulevard. Additionally, the new trunkline will terminate behind buildings 205 and 208 near MacArthur Field.

During all phases of construction as-builts will be maintained and will be presented to the project stakeholders upon the completion of the Phase O Infrastructure Project.

Inspection and Monitoring

Daily and Special Inspection

Anser Advisory, the selected third party Construction Management firm, will be providing daily inspections on a full-time basis. Anser Advisory's designated inspector will monitor day-to-day aspects of the Phase 0 Construction effort and will provide detailed daily reports to the Owner. Daily reports will also be stored digitally on Virtual Project Office (VPO), a cloud based project management suite. When deficiencies are identified in the field, the inspector and construction manager will immediately notify the contractor of the non-conforming items and will document such notices through VPO by issuing non-compliance notices.





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When special inspection is required, a third party special inspection firm will be employed to perform testing including, but not limited to: Geotechnical testing; Soil density testing; Asphalt and concrete observation and testing; and any required laboratory testing.

Third Party Utility Inspection

Third Party Utilities (Southern California Edison; Frontier Communications; and Spectrum Communications) will inspect construction progress on a weekly basis. Each third party utility will require daily photographs of construction progress as well as require daily reports from the contractor and the construction manager. Upon completion of the duct bank construction, each third party utility will be required to perform a final inspection for their respective duct bank. If the third party utilities approve of the work installed, a final acceptance will be issued by both Anser Advisory and each third party utility.

Southern California Gas will provide inspection for the installation of the new gas line servicing the North Campus.

Cultural Resource Monitoring

As prescribed in the VA's Environmental Assessment report and the Programmatic Agreement (PA), during the course of any excavation in medium and high sensitivity areas, a Cultural Resource Monitor (CRM), will be onsite. When excavation is in a low-sensitivity area, a CRM will be onsite periodically. If archeological resources are found during construction, avoidance and mitigation measures specified in the PA will be followed.

Utility Construction

Construction Overview

Upon issuance of the Notice To Proceed (NTP) the contractor will begin submittals, apply for required permits, establish a construction lay-down yard, and begin pothole operations. Once these requirements have been satisfied, the contractor may begin the trunkline construction.

As identified in the attached schedule, duct bank construction is broken down into five phases:

- 1. Pothole
- 2. Bonsall Avenue
- 3. Constitution Avenue
- 4. Sepulveda Boulevard
- Restoration & Punch list

Prior to beginning trunkline construction, the contractor will perform their due diligence work by potholing all intersecting and nearby utilities on the project.

At the conclusion of potholing, the contractor will initiate construction on Bonsall Avenue with the intent of installing the new duct bank ahead of the Southern California Gas crews. When the contractor has made a sufficient amount of progress on Bonsall Avenue, Southern California Gas will be permitted to begin gas line construction at the VA's western entrance located at Bringham Avenue and Gorham Avenue. Southern California gas will work eastward along the proposed new Pershing Alignment, continuing north on Bonsall and terminating near MacArthur Field. Southern





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California Gas' work will be concurrent with the phase 0 project but will not begin until Bonsall's duct bank is mostly complete.

Once construction is completed on Bonsall Avenue, the contractor will move operations to Constitution toward the various points of connections on Constitution Avenue and Sepulveda Boulevard.

Subsequently, the contractor will move operations to Sepulveda Boulevard and install duct banks to the Frontier and Spectrum communications points of connection.

Upon completion of all the aforementioned phases, the contractor will begin the restoration and punch list phase of construction. The contractor will restore areas impacted by construction to the pre-construction conditions and address outstanding action items on the punch list.

Southern California Edison (SCE): The point of connection for Southern California Edison's VA North Campus service is located on Constitution Avenue across from the newly constructed Columbarium. Approximately 3,400 linear feet of SCE duct bank will be installed in a joint trench with paralleling Communications utilities through the VA North Campus beginning on Constitution and terminating on MacArthur Avenue north of Building 208. The purpose of the new SCE duct bank is to provide power for 1,200 new housing units on the VA North Campus.

Additional elements of construction include the following:

- Approximately 1,400 linear feet of stub outs and connections to transformers
- 2 SCE Vaults
- 5 SCE Transformer Slabs
- 5 SCE Manholes

Upon completion of the trunkline construction, SCE will be providing switch gears, transformers, conductors, and other required items to allow occupancy at the newly renovated housing developments.

<u>Frontier & Spectrum Communications:</u> Points of connection for the communications duct banks are located on Sepulveda Boulevard near Constitution Avenue. Approximately 4,200 linear feet of both Frontier and Spectrum ducts are to be installed via joint trench method beginning on Sepulveda Boulevard, providing services to select buildings within the VA North Campus, and terminating on MacArthur Avenue north of Building 208. The purpose of the communications duct banks is to provide cable television, phone, and internet access to the 1,200 new housing units in the VA North Campus.

Additional elements of construction include the following:

- Approximately 850 linear feet of combined communications stub outs to buildings
- 6 Frontier manholes
- 27 Spectrum pull boxes

Southern California Gas (SCG): SCG will be constructing an approximately 4,600 linear foot gas main beginning at the VA's west property line at Bringham Avenue, continuing down Pershing and



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paralleling the joint trench referenced above on Bonsall Avenue. The purpose of this utility is to provide natural gas services the 1,200 new housing units on the VA North Campus. Additionally, this gas connection will service future developments.

SCG or a third party hired by SCG will be responsible for installation.

Should you have any questions regarding this executive summary, please contact Paul Buckley, P.E, or myself at (562) 221-6481.

Sincerely,

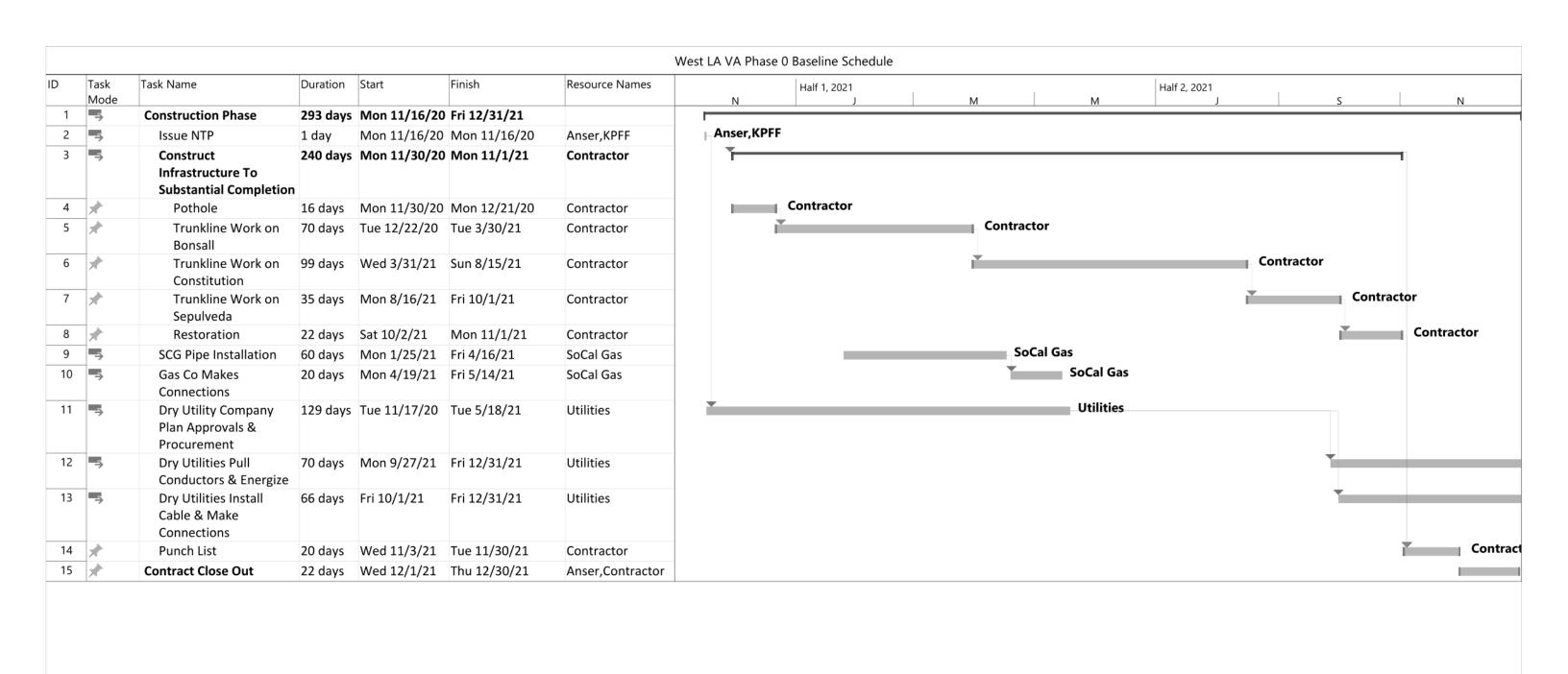
Chris Heidel

Chris Heidel

Sr. Construction Manager

Attachments: Conceptual Baseline Schedule

CC: Paul Buckley



Task Project Summary Manual Task Start-only Deadline + Project: Phase 0 Schedule 10.17 Split Inactive Task **Duration-only** Finish-only **Progress** Date: Tue 10/27/20 Milestone Inactive Milestone Manual Summary Rollup Manual Progress External Tasks Summary Inactive Summary Manual Summary External Milestone •

ATTACHMENT "D" FORM OF ACCESS AGREEMENT

PROPERTY ACCESS AGREEMENT FROM THE U.S. DEPARTMENT OF VETERANS AFFAIRS TO VA BUILDING 207 LP AT THE VA WEST LOS ANGELES CAMPUS IN LOS ANGELES CALIFORNIA

THIS PROPERTY ACCESS AGREEMENT ("Agreement") is made and entered into this 28 day of October, 2020 (the "Effective Date"), by and between UNITED STATES OF AMERICA, and its assigns, with an address of 810 Vermont Avenue, Washington, DC 20420 ("Government" or "VA") and VA Building 207 LP, a California Limited Partnership, with an address of 11811 San Vicente Blvd, Los Angeles, CA 90049 ("Lessee").

- A. **WHEREAS**, Government is the owner of certain real estate, consisting of approximately 388 acres of land, with improvements located thereon, situated in Los Angeles, CA (hereinafter the "Property" or the "WLA Campus"), and known as the U.S. Department of Veterans Affairs Greater Los Angeles Medical Center located at 11301 Wilshire Boulevard Los Angeles, CA 90073, depicted in Exhibit A, attached hereto, and incorporated herewith.
- B. **WHEREAS**, Lessee and VA have entered into an Enhanced-Use Lease (Lease) to which the Commitment Agreement is an exhibit. This Agreement is an attachment to the Commitment Agreement.
- C. **WHEREAS**, Lessee has requested permission from Government for Lessee to enter the Property to perform the VA Funded Trunkline Work, as such term is defined in the VA Commitment Agreement Relating to Certain Real Property and Facilities at the Greater Los Angeles Health Care System West Los Angeles, CA (the "Commitment Agreement"), within an area of the Property referred to in this Agreement as the "Site", which is depicted in Exhibit B, attached hereto and incorporate herewith, which includes all real property and improvements contained therein.
- D. **WHEREAS**, the Property, and any actions taken by VA relating to the Property, are subject to federal law, including but not limited to the West Los Angeles Leasing Act of 2016 (Public Law 114-226, as amended by Public Law 115-251, the Department of Veterans Affairs Expiring Authorities Act of 2018) (collectively, the "West LA Leasing Act"), and will be taken in accordance with VA's WLA Campus Draft Master Plan dated January 28, 2016 ("Draft Master Plan") or successor Master Plan.
- D. **WHEREAS**, Government is willing to grant Lessee and Lessee Employees (as defined hereinafter) permission to enter the Site for the purpose of performing, maintaining, repairing, and restoring the VA Funded Trunkline Work.

- **NOW, THEREFORE**, in consideration of the foregoing, certain valuable non-monetary consideration, and of agreements hereafter contained, Government hereby grants to Lessee and Lessee Employees a non-exclusive, revocable license to enter the Site subject to terms and conditions set forth herein.
- 1. <u>Incorporation of Recitals</u>. The foregoing recitals are true and correct and are hereby incorporated herein by reference.
 - 2. <u>Term.</u> The term of this Agreement shall commence on the Effective Date and shall expire on **October 28, 2023** (the "Term") unless Government and the Lessee agreed in writing to extend the term as provided herein.
- 3. <u>Purpose of Entry</u>. Lessee, by its duly authorized officers, employees, agents, and duly authorized employees of its contractors, subcontractors, engineers, consultants, planners, designers, and/or vendors, (collectively, "Lessee Employees"), may enter the Site during the Term of this Agreement solely for the purpose of performing, maintaining, repairing, and restoring the VA Funded Trunkline Work in accordance with the terms of the Commitment Agreement. Such entries shall at all times be subject to VA security and parking guidelines and regulations.
- 4. <u>Lessee's Responsibilities</u>. To the extent set forth in and further subject to the terms and limitations in the Commitment Agreement,, (i) Lessee shall be responsible for all costs associated with the VA Funded Trunkline Work, and (ii) all tools, equipment, buildings, improvements, and other property taken upon or placed upon the Property by Lessee shall remain the property of Lessee and must be removed by Lessee prior to the expiration of this Agreement.
- 5. <u>Compliance with Law</u>. Lessee shall perform the VA Funded Trunkline Work in compliance with all applicable Federal, State, and local laws, ordinances, and regulations. Lessee shall obtain all permits, licenses, certificates, and approvals required to perform the VA Funded Trunkline Work.
- 6. Notice to Government. At least five (5) business days prior to commencing any stage of the VA Funded Trunkline Work which requires access to the Property, Lessee, or its contractor(s), as applicable, shall provide Government with written notice of the commencement of the VA Funded Trunkline Work, which shall include a brief description of the VA Funded Trunkline Work that will be performed, the portion of the Property for which access is needed, and an estimated schedule for completion of such portion of the VA Funded Trunkline Work ("VA Funded Trunkline Work Notice"). The VA Funded Trunkline Work Notice and related information may be distributed by the Government to WLA Campus patients, staff, residents, visitors, third party land users, and other stakeholders.
- 7. <u>Security of Site</u>. The VA Funded Trunkline Work shall include reasonable security measures of Lessee (along with any additional measures VA chooses to implement at its discretion) to the extent such security measures are necessitated solely as a result of the

VA Funded Trunkline Work, to minimize the risk of property damage or bodily injury at or in the vicinity of the Property.

- 8. <u>Conduct of VA Funded Trunkline Work</u>. With respect to the VA Funded Trunkline Work, the following additional conditions shall apply:
 - a. Lessee agrees to use its best efforts to ensure that the VA Funded Trunkline Work shall not interrupt the provision of healthcare and services to Veterans on the Property.
 - b. This Agreement is executed with the understanding that to the extent necessary and supported by the specific type of VA Funded Trunkline Work at play, Lessee shall provide flagmen or other appropriate traffic safety personnel to direct traffic during periods of traffic disruption. All work shall be coordinated with Government and be conducted in a manner consistent with VA's ongoing mission and operations on the WLA Campus, and to avoid unnecessary disruption to patient parking and vehicular ingress and egress. VA shall have discretion to require Lessee to adjust its activities if VA determines that such disruption is occurring.
 - c. Lessee shall be responsible for and will obtain all applicable Federal, State, and local planning approvals, and other licenses and permits which are necessary for the VA Funded Trunkline Work.
 - d. Lessee agrees to use its best efforts to ensure and take all actions as necessary to ensure that its use of the Property will not adversely affect the Government's quiet use and enjoyment of the Property and the surrounding property of the Government. Subject to the terms and limitations contained in the Commitment Agreement, Lessee shall replace, repair, restore, or relocate any property of the Government affected or damaged directly or indirectly by the VA Funded Trunkline Work all to the satisfaction of the Government official having immediate jurisdiction over the Property.
 - e. No mining operations shall be conducted on the Property. No minerals shall be removed therefrom, except such as are reasonably necessary for the VA Funded Trunkline Work.
 - f. Upon termination of this Agreement or forfeiture of the Property, Lessee shall within a reasonable time thereafter, if so requested by the Government, remove from the land all structures, installations, and appurtenances thereto belonging to Lessee and restore the Property to the satisfaction of the Government.
 - g. No advertisements, commercial, political, or otherwise, will be placed on, or allowed on the Property. No signage shall be installed or constructed on or over the Property without the prior written approval of VA, and such approval shall not be unreasonably withheld, conditioned, or delayed; provided that, VA

- shall be permitted to withhold its approval if such signage would improperly suggest to the public that the Property is under the ownership or perpetual jurisdiction and control of Lessee or another third-party entity.
- h. Lessee's Employees and visitors shall park their vehicles only in designated parking areas within the Site and are prohibited from parking on any portion of the WLA Campus that is located outside the boundaries of the Site. Any parking by Lessee's Employees and visitors on the WLA Campus outside the boundaries of the Site is prohibited under Federal law and will be strictly enforced. Lessee shall provide clear notice to Lessee's Employees and visitors by posting prominent signs and implementing appropriate measures to ensure such compliance.
- Lessee shall maintain the Property in a clean, orderly, and sanitary condition at all times and shall arrange for prompt disposal of any dirt, refuse, and debris and shall provide and maintain for public use an ample number of containers for trash.
- 9. Condition of Property. Subject to VA review and written approval, and further subject to the terms and limitations in the Commitment Agreement, Lessee shall promptly and diligently repair any damage to the Property caused by performing the VA Funded Trunkline Work and shall leave (and restore, if applicable) the Property in substantially the same condition as existed when Lessee entered the Property. Lessee agrees to keep the Property free and clear from all liens, security interests, and other encumbrances arising by, though, as a result of, or in connection with the use or occupancy of the Property by Lessee or Contractors. If any such lien, security interest, or other encumbrance arises, Lessee cause the Contractor (as defined in the Commitment Agreement) to discharge the same within thirty (30) business days following Lessee's notice thereof. If Lessee does not comply with the requirements of this Paragraph, then Government may, but is not obligated to, take measures to contest and/or discharge the lien, security interest, or encumbrance itself and recover from Lessee all of Government's costs and expenses related thereto, which amount Lessee agrees to pay immediately following written notice from Government of such amount.
- 10. <u>Insurance</u>. In addition to any insurance requirements set forth in the Construction Contract (as defined in the Commitment Agreement), Lessee, Lessee's contractors, and any and all subcontractors (hereinafter "Contractors") shall obtain at their own cost and expense, and keep in full force and effect, during the terms of their respective entries upon the Site the following insurance with respect to the VA Funded Trunkline Work:
 - i. Comprehensive general liability insurance policy in an amount not less than One Million Dollars (\$1,000,000.00) combined single limit per occurrence for bodily injury, death, and property damage, protecting Government against any and all claims for bodily injury, death, or property damage arising directly or indirectly from Lessee's use of the Property.

- Such coverage shall include coverage for explosion, collapse, and underground events, commonly referred to as XCU coverage; and
- ii. If the Contractor is a design professional, Professional liability and pollution liability insurance in an amount not less than Two Million Dollars (\$2,000,000.00) per occurrence. A Contractor is considered a design professional if they are providing architectural, engineering, or other services related to the design of any element of the VA Funded Trunkline Work, or otherwise involved in the review and performance of VA Funded Trunkline Work elements or compliance with planning documents or provide review, recommendations, or advice relating to the design of any portion of the VA Funded Trunkline Work.

The policy or policies required hereunder shall be issued by insurance companies qualified to do business in the State of California and such policy or policies shall provide at least twenty (20) business days' written notice to Government before cancellation or material modification. Lessee and Contactors shall deliver to Government certificates of such insurance, showing the United States of America named as the additional insured, evidencing the coverage in force as of the Effective Date of this Agreement, as well as any replacement certificates issued during the Term of this Agreement.

11. Environmental

a. NEPA/NHPA Compliance

- Lessee shall at all times comply with applicable laws and regulations, including but not limited to the National Environmental Policy Act (NEPA), 42 U.S.C. § 4321, the National Historic Preservation Act (NHPA), 54 U.S.C. 300101 et seq., and the Archaeological Resources Protection Act, 16 U.S.C. §§ 470aa–470mm.
- ii. Lessee shall ensure that the VA Funded Trunkline Work undertaken complies with the Programmatic Agreement executed by VA, the California State Historic Preservation Office ("SHPO"), and the Advisory Council of Historic Preservation on May 1, 2019, the VA archaeological sensitivity model (ASM), and any subsequent agreements. Lessee will coordinate such compliance with the Government and the SHPO, Tribes, and Consulting Parties as needed.
- iii. Lessee shall ensure that the VA Funded Trunkline Work undertaken is consistent with the 2019 Final Programmatic Environmental Impact Statement and Record of Decision executed September 3, 2019 (EIS/ROD), including implementation of any required minimization and mitigation measures identified in the EIS/ROD.

b. Compliance with Environmental Laws

- i. The term "Environmental Law" means any statute, law, act, ordinance, rule, regulation, order, decree, or ruling of any Federal, State, interstate, and/or local governmental, quasi-governmental, legislative, administrative or judicial body, agency, board, commission or other authority relating to the protection of health and/or the environment or otherwise regulating and/or restricting the use, storage, disposal, treatment, handling, release, and/or transportation of hazardous substances, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, the Solid Waste Disposal Act, the Federal Water Pollution Control Act, the Clean Air Act, the Hazardous Materials Transportation Act, the Toxic Substances Control Act, the Emergency Planning and Community Right to Know Act, and the environmental control laws of the State of California, each as now or hereafter amended, and all regulations and interpretive guidelines respectively promulgated thereunder.
- ii. The term "Hazardous Material" means any substance regulated or as to which liability might arise under any applicable Environmental Law including: (a) any chemical, compound, material, product, byproduct, substance or waste defined as or included in the definition or meaning of "hazardous substance," "hazardous material," "hazardous waste," "solid waste," "toxic waste," "extremely hazardous substance," "toxic substance," "contaminant," "pollutant," or words of similar meaning or import found in any applicable Environmental Law; (b) Hydrocarbons, petroleum products, petroleum substances, natural gas, oil, oil and gas waste, crude oil, and any components, fractions, or derivatives thereof; and (c) radioactive materials, explosives, asbestos or asbestos containing materials, polychlorinated biphenyls, radon, infectious or medical wastes.
- iii. Lessee shall comply, at its sole cost and expense, with all Environmental Laws that are or may become applicable to the Lessee's activities on the Property, including but not limited to all applicable federal, state, interstate, and local laws, regulations, and other requirements relating to occupational safety and health, the handling and storage of Hazardous Materials, and the proper generation, handling, accumulation, treatment, storage, disposal, and transportation of hazardous wastes. Lessee shall maintain in effect any permits, license or other governmental approvals relating to Hazardous Materials, if any, required for the Lessee's use of the Property. Lessee shall make all disclosures required of Lessee by any such Environmental Laws, and shall comply with all orders, with respect to Lessee's and its employees', agents', contractors', and invitees' use of the Property, issued by any governmental authority having jurisdiction over the Property and take all action required by such governmental authorities to bring Lessee's and its employees', agents',

contractors', and invitees' activities on the Property into compliance with all Environmental Laws affecting the Property.

c. Environmental Responsibility

- i. Lessee shall be responsible for all Hazardous Materials that are released, handled, extracted, generated, or caused by the VA Funded Trunkline Work on the Property by any person, or entity, other than the Government or its employees, agents, or contractors.
- ii. Lessee shall be solely responsible for responding to the release of the following categories of Hazardous Materials on or from the Property:
 - (1) Future and/or newly identified releases of Hazardous Materials at, or from, the Property that are caused by the act or omission of Lessee or any person, or entity, other than the Government or its employees, agents, or contractors; and
 - (2) Existing Hazardous Materials located on or within the Property that are aggravated, released, or exacerbated due to the acts or omissions of Lessee or any person, or entity, other than the Government or its employees, agents, or contractors. Lessee shall immediately notify the Government of any release of Hazardous Materials and all response actions taken, including regulatory notifications made by Lessee with respect to the Property, so VA may take any action necessary to protect the health and safety of individuals at the WLA Campus.
- To the extent any Environmental Law properly imposes liability, loss, iii. expense, damage, or cost upon VA for any matter relating to any Hazardous Material or otherwise of an environmental nature on or affecting the Property due to (1) the United States' status as Federal owner of the Property, (2) acts of VA and/or former owners on or affecting the Property, or (3) acts or omissions of government contractors on or affecting property that occurred while VA had jurisdiction and control of the Property, VA shall indemnify Lessee, its directors, partners, officers, trustees, members, employees, agents, successors, and assigns ("Indemnitees") for any liability, loss, expense, damage, or cost incurred or suffered by the Indemnitees. Lessee shall immediately notify VA upon receipt of any notices, claims, or other information that identifies any environmental problems on or related to the Property which may require Lessee and/or VA action and/or expenditure of funds. Consistent with the Anti-Deficiency Act (31 U.S.C. §§ 1341, 1342, 1351, and 1517, as amended), the payments of VA with respect to this indemnification shall not exceed appropriations available to VA which can be lawfully expended for such purposes at the time of the claim; and nothing in this Agreement

- may be construed as implying that Congress will at a later date appropriate funds to meet any deficiencies.
- iv. To the extent any Environmental Law imposes liability, loss, expense, or damage, or cost upon VA for any matter relating to any Hazardous Material or otherwise of an environmental nature on or affecting the Property due to acts of Lessee, its contractors, builders, agents, employees, and/or licensees relating to the VA Funded Trunkline Work, including any environmental investigation, studies, and remediation, Lessee shall indemnify VA for such liability, loss, expense, damage, or cost incurred or suffered by VA. Except as may otherwise be agreed to by the VA and Lessee, Lessee shall have no liability under the terms of this Agreement with respect to the mere discovery of any existing conditions and any resulting diminution in value of the Property, except for existing conditions located on or within the Property that are aggravated, released, or exacerbated due to the acts or omissions of Lessee, its contractors, builders, agents, employees, and/or licensees. Lessee shall immediately notify VA upon receipt of any notices, claims, or other information that identifies any environmental problems on or related to the Property which may require Lessee and/or VA action and/or expenditure of funds.
- v. To the extent that VA is held, by a final decision of the highest court or other adjudicative body of competent jurisdiction to which the matter has been presented, liable for costs and/or damages associated with the improper handling, treatment, disposal, and/or release of one or more Hazardous Materials" on or affecting the Property, VA at its sole and absolute discretion, may seek to initiate good-faith discussions and negotiations with Lessee, for Lessee on VA's behalf and upon the parties' consummation of a separate written agreement, to undertake and complete any and all required environmental remediation and abatement activities in accordance with Environmental Laws.
- vi. Should additional environmental studies under Environmental Laws become necessary due to Lessee's activities on the Property, then unless the Parties otherwise agree in writing, the fees, costs, and expenses necessary to perform such studies shall be the sole responsibility of Lessee.

d. Presence of Hazardous Materials

i. Lessee shall not, without Government's prior written consent, keep on or around the Property, for use, disposal, treatment, generation, storage, or sale, any Hazardous Material except as may be customary in projects similar to the Property and in compliance with all applicable laws. With respect to any such Hazardous Material, Lessee shall:

- (1) Comply promptly, timely, and completely with all governmental requirements for reporting, keeping, and submitting manifests, and obtaining and keeping current identification numbers with respect to any Hazardous Materials first brought upon the Property by Lessee or Lessee Employees from and after the date hereof;
- (2) Submit to Government true and correct copies of all reports, manifests, and identification numbers with respect to any Hazardous Materials first brought upon the Property by Lessee or Lessee Employees from and after the date hereof at the same time as they are required to be and/or are submitted to the appropriate governmental authorities;
- (3) Within sixty (60) days of Government's request, submit written reports to Government regarding Lessee's use, storage, treatment, transportation, generation, disposal, or sale of Hazardous Materials first brought upon the Property by Lessee or Lessee Employees from and after the date hereof and provide evidence satisfactory to Government of Lessee's compliance with the applicable governmental regulations with respect to any Hazardous Materials first brought upon the Property from and after the date hereof;
- (4) Allow Government or Government's agent or representative to come on the Property at all reasonable times with reasonable prior notice to check Lessee's compliance with all applicable governmental regulations regarding Hazardous Materials for which Lessee is responsible under the terms of this Agreement;
- (5) Comply with minimum levels, standards or other performance standards or requirements that may be set forth or established for certain Hazardous Materials (if minimum standards or levels are applicable to Hazardous Materials present on the Property, such levels or standards shall be established by an on-site inspection by the appropriate governmental authorities and shall be set forth in an addendum to this Agreement);
- (6) Comply with all applicable governmental rules, regulations, and requirements regarding the proper and lawful use, sale, transportation, generation, treatment, and disposal of Hazardous Materials; and
- (7) Government shall have the right upon reasonable prior written notice and at reasonable times to enter upon the Property in order to inspect or monitor same if Government has a reasonable belief that Hazardous Materials are present on the Property in violation of

- applicable law. If such inspection or monitoring by Government confirms that Hazardous Materials are present and are in violation of applicable law, any and all reasonable costs incurred by Government and associated with Government's inspection of the Property and Government's monitoring of Lessee's compliance, including Government's reasonable attorney's fees and costs, shall be additional rent and shall be due and payable to Government immediately upon demand by.
- Cleanup Costs, Default, and Indemnification. Lessee shall be fully and completely liable to Government for any and all cleanup costs, and any and all other charges, fees, and penalties (civil and criminal) imposed upon Government by any governmental authority with respect to any use(s) of the Property related to the handling, disposal, transportation, generation, and/or sale of Hazardous Materials; provided, that liability and obligation by Lessee shall apply only to Hazardous Materials first brought upon the Property by Lessee and Lessee Employees, its contractors, builders, agents, employees, and/or licensees from and after the date hereof. Lessee shall indemnify, defend, and save Government harmless from any and all of the costs, fees, penalties, and charges assessed against or imposed upon Government (as well as Government's reasonable attorney's fees and costs) as a result of Lessee's use, disposal, transportation, generation, and/or sale of Hazardous Materials at the Property. Upon Lessee's default under this Paragraph d and the expiration of the applicable notice and cure periods, in addition to the rights and remedies set forth elsewhere in this Agreement. Government shall be entitled to the following rights and remedies:
 - At Government's option, to terminate this Agreement immediately; and/or
 - (2) To recover any and all damages associated with the default, including, but not limited to cleanup costs and charges, civil and criminal penalties and fees, loss of business and sales by tenants of the Property, any and all damages and claims asserted by third parties and Government's reasonable attorney's fees and costs.
- 12. <u>Indemnification</u>. Lessee and its duly authorized officers, employees and agents agree to assume any and all liability and risks arising out of, incident to, or in any way connected to the exercise of Lessee's rights under this Agreement, or any use, occupancy, or activity on the Property. Lessee agrees to cause the Contractor to indemnify, save, hold harmless, and defend Lessee, the United States and VA and their respective officers, agents and employees, from and against any and all claims, losses, causes of action, demands, liabilities (whether based upon common law, strict liability, negligence, contract, statute, or otherwise), damages, injuries, deaths, penalties, fines, costs, corrective action, natural resource damage and damages and expenses of any

other nature whatsoever caused by, arising out of, incident to, or in any way connected to the exercise of Lessee's rights under this Agreement, or any use, occupancy, or activity on the Property. .

- 13. Termination. This Agreement may be terminated by Government or Lessee by providing written notice to the other party. U Notwithstanding anything in this Agreement to the contrary, Government shall have the right, at any time, to terminate this Agreement and to demand that Lessee cease and quit the Property if, in Government's reasonable judgment, Lessee and/or its Contractors are in breach of any term or condition of this Agreement or the Commitment Agreement (and such breach continues for a period of thirty days after written notice to Lessee), in which event Lessee shall not have any continued access to the Site for any purpose. Upon any such termination, Lessee and its contractors shall have access to the Site for ten (10) business days, plus any additional time that VA expressly agrees to in its discretion in writing, solely to remove its tools, equipment, buildings, improvements, and other property taken upon or placed upon the Property by the Lessee and/or complete any necessary restoration as set forth in Paragraph 9 of this Agreement. Acceptance of any rent or other consideration for this Agreement in advance by Government shall not act as a waiver of Government's right to terminate this Agreement or of any other right Government may have under this Agreement.
- 14. <u>Notices</u>. Any notice permitted or required to be given under this Agreement shall be in writing and shall be deemed to be duly given when delivered certified mail, return receipt requested, to the party entitled to such notice at their address set forth hereinabove, with a copy to:

For Government: U.S. Department of Veterans Affairs

Greater Los Angeles Medical Center

11301 Wilshire Boulevard Los Angeles, CA 90073 Attn: Robert Merchant

(b) (6) <u>@va.gov</u>

With a copy to: U.S. Department of Veterans Affairs

Office of Real Property

425 I Street NW

Washington, DC 20001
Attn: Matthew Leddy, Esq.
(b) (6) @va.gov

U.S. Department of Veterans Affairs Office of Asset Enterprise Management (044C) 810 Vermont Avenue, NW Washington, DC 20420 Attn: Carrie Pham @va.gov

U.S. Department of Veterans Affairs Office of General Counsel 810 Vermont Ave, NW Washington, DC 20420 Attn: Chief Counsel, Real Property Law Group

U.S. Department of Veterans Affairs Greater Los Angeles Medical Center 11301 Wilshire Boulevard Los Angeles, CA 90073 Attn: Medical Center Director

For Lessee: VA Building 207 LP

11811 San Vicente Boulevard

Los Angeles, CA 90049

Attn: President

With a Copy to Leasehold Mortgagees:

Wells Fargo Affordable Housing Community Development Corporation MAC D1053-170 301 South College Street, 17th Floor Charlotte, NC 28288 Attn: Director of Tax Credit Asset Management

Wells Fargo Bank, National Association 301 S. College Street, MAC D1053-170 Charlotte, North Carolina 28288 Attention: Manager, CLI Deal Management

Wells Fargo Bank, National Association Community Lending and Investment MAC #E2064-092 333 S. Grand Avenue, 7th Floor Los Angeles, California 90071 Attention: Christian M. von Merkatz

Loan No. 1019790

California Community Reinvestment Corporation 100 West Broadway, Suite 1000 Glendale, California 91210 Attention: President

Los Angeles County Development Authority 700 West Main Street Alhambra, CA 91801 Attn: Executive Director Fax No. (626) 943-3816

Los Angeles County Development Authority 700 West Main Street Alhambra, CA 91801 Attn: Director of Housing Investment and Finance Fax No. (626) 943-3816

City of Los Angeles
Housing and Community Investment Department
P.O. Box #532729
Los Angeles, CA 90053-2729
Attention: Portfolio Management Unit (HIMS# 19-126546)
CC: Director of Finance and Development Division

15. Third Parties. The access rights granted to Lessee under this Agreement shall not be transferred or assigned. Nothing in this Agreement, whether express or implied, is intended to relieve or discharge the obligation or liability of any third persons to either party to this Agreement, nor will any provision give any third persons any right of subrogation or action over or against either party to this Agreement. This Agreement shall bind and inure to the benefit of the successors and permitted assigns of the parties hereto Notwithstanding the foregoing or anything to the contrary contained herein, The Tax Credit Investor and Leasehold Mortgagee, as defined in the Commitment Agreement, shall have the right to cure any of Lessee's defaults under this Agreement within the same time period and subject to the same terms and conditions as set forth in the Commitment Agreement.

16. Applicable Law; Entire Agreement. This Agreement shall be construed and enforced in accordance with, and governed by, the laws of the United States of America. No amendments or modifications of this Agreement shall have any force or effect without the written consent of both parties. Notwithstanding anything contrary in this Agreement, any provision that purports to assign liability to Government shall be subject to and governed by Federal law, including but not limited to, the Contract Disputes Act of 1978 (41 U.S.C. § 7101-7109); the Anti-Deficiency Act (31 U.S.C. §§ 1341 and 1501); and the Federal Tort Claims Act (28 U.S.C. §§ 1346(b)(1), 2671-2680.).

- 17. Counterparts; Electronic Signatures. This Agreement may be executed in counterparts, and it shall not be necessary that the signatures of all parties hereto be contained on any one counterpart hereof; each counterpart shall be deemed an original, but all of which together shall constitute one and the same instrument. Electronic signatures shall be deemed original signatures for the purposes of this Agreement.
- 18. <u>Severability</u>. If any provision in this Agreement is declared invalid or unenforceable under applicable law, that provision shall not be enforced, but the remainder of the Agreement shall continue in full force and effect.
- 19. <u>Nonwaiver</u>. The failure of Government to insist upon or enforce, in any instance, strict performance by Lessee of any of the terms of this Agreement or to exercise any rights herein conferred shall not be construed as a waiver or relinquishment of Government's right to assert or rely upon such terms or rights on any future occasion.
- 20. <u>Assignment</u>. The non-exclusive, revocable license granted in this Agreement is personal to Lessee and may not be assigned or otherwise transferred, in whole or in part, without the prior written consent of Government, which consent may be withheld in Government's sole discretion. Notwithstanding the foregoing, in the event the Tax Credit Investor or Leasehold Mortgagee, as defined in the Lease, shall become the successor to Lessee for the Project by foreclosure or deed in lieu of foreclosure with regard to the Lease (the "Successor Lessee), provided Successor Lessee agrees to assume the obligations of Lessee under the Commitment Agreement and Lease, Successor Lessee shall be permitted to continue to exercise the rights of Lessee under this Agreement subject to the terms and conditions of this Agreement.
- 21. <u>License Not to Be Recorded</u>. Neither party shall record this Agreement or a memorandum thereof without the prior written consent of the other party.
- 22. <u>Sovereign Immunity</u>. No terms of this Agreement waive the Government's rights under Sovereign Immunity.
- 23. Smoke-Free Policy. Effective October 1, 2019, smoking is strictly prohibited on the grounds of any VA facility. Per VA Directive 1085 dated March 5, 2019, it is VA policy that all VA health care facilities, including hospitals, community clinics, administrative offices, and Vet Centers, will be smoke-free for patients, visitors, contractors, volunteers, and vendors effective October 1, 2019. There will no longer be designated smoking areas. This Smoke-Free Policy includes all VA property licensed by third-party land users. Smoking is defined by the VA Directive to include cigarettes, cigars, pipes, electronic or e-cigarettes, vape pens, and e-cigars.
- 24. Media Inquiries. In the event Lessee is contacted by the media regarding any activities or services on Department of Veterans Affairs owned property, the Lessee must direct media to the GLA Office of Public Affairs at (310) 268-3340 or VHAGLAPublicAffairs@va.gov. Furthermore, Lessee shall not host media

representatives on Department of Veterans Affairs owned property without prior approval from the Government.

25. <u>Point of Contact & Notices:</u> Government and Lessee each appoint the following respective "Chief Liaison" to serve as their organization's primary point of contact for all matters involving the activities governed by this Agreement in order to ensure efficient implementation and operations. The Government and Lessee will promptly identify new points of contact in the event of staff turnover.

Government Chief Liaison	Lessee Chief Liaison
Lori Moore 11301 Wilshire Boulevard Los Angeles, CA 90073 (b) (6) (o) (b) (b) (c) (D) (D) @va.gov	Blake Coddington 11811 San Vicente Blvd Los Angeles, CA 90049 (b) (6) (b) (c)

[SIGNATURES CONTAINED ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have hereunto set their hands and seals on the date first above written.

GOVERNMENT:

UNITED STATES OF AMERICA, and its assigns

Scott P. MacRae | Digitally signed by Scott P. MacRae 1740501 | Date: 2020.10.28 14:50:10 -04'00'

By:

Name: Scott MacRae

Title: Acting Associate Executive Director

Date: October 28, 2020

IN WITNESS WHEREOF, the Parties have hereunto set their hands and seals on the date first above written.

LESSEE:

VA Building 207 LP, a California limited partnership

By: VA Building 207 LLC, a California limited liability company, its administrative general partner

 $_{\text{\tiny By:}}$ (b) (6)

Name: Kenee Groves
Title: Chief Financial Officer

By: Housing Corporation of America, a Utah nonprofit corporation, its managing general partner

By: _ (b) (6)

Name: Carol Cromar

Title: President

By: West Los Angeles Veterans Collective LLC, California limited liability company, its co-general partner

By:_ (b) (6)
Name: Rénee Groves

Title: Secretary

EXHIBIT A DESCRIPTION OF PROPERTY



The WLA Campus is outlined above in red dashed line.

EXHIBIT B SITE MAP

The VA Funded Trunkline Work will be conducted in areas located within the dashed line areas shown above in the Site Map.

